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ATTACHMENT B

The July 24, 2015, Settlement Agreement

APPENDIX A

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016; by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018.

Application 15-01-002
(Filed January 5, 2015)

SETTLEMENT AGREEMENT BETWEEN THE OFFICE OF RATEPAYER ADVOCATES AND SAN JOSE WATER COMPANY ON ISSUES PRESENTED IN GENERAL RATE CASE APPLICATION

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OF THE STATE OF CALIFORNIA**

In the Matter of the Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016; by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018.

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SETTLEMENT AGREEMENT BETWEEN THE OFFICE OF RATEPAYER ADVOCATES AND SAN JOSE WATER COMPANY ON ISSUES PRESENTED IN THE PRESENT GENERAL RATE CASE

I. GENERAL PROVISIONS

1. Pursuant to Article 12 of the Rules of Practice and Procedure (“Rules”) of the California Public Utilities Commission (“Commission”), the Office of Ratepayer Advocates (“ORA”) and San Jose Water Company (“SJWC”), referred to together as “the Settling Parties,” have agreed on the terms of this Settlement Agreement, which they now submit for review, consideration, and approval by Administrative Law Judge S. Pat Tsen and the Commission. This Settlement Agreement addresses most of the differences on contested issues presented by the testimony and exhibits submitted into evidence by SJWC and ORA, respectively.
2. Specific issues that the Settling Parties agree to resolve through this Settlement Agreement are set forth in Section II below. For each issue, Section II describes the positions of the Settling Parties, the difference between SJWC’s rebuttal position and ORA’s position, and the resolution provided by the Settlement Agreement, and also provides references to the evidence of record relevant to each settled issue.
3. Because this Settlement Agreement represents a compromise of the Settling Parties’ positions with respect to each issue addressed herein, the Settling Parties have agreed upon the resolution of each issue addressed in the Settlement Agreement on the basis that its approval by the Commission should not be construed as an admission or concession by either Party regarding any fact or matter of law that may have been in dispute in this proceeding. Furthermore, consistent with Rule 12.5 of the Commission’s Rules, the Settling Parties intend that the approval of this Settlement Agreement by the Commission should not be construed as a precedent or statement of policy of any kind for or against any Party in any current or future proceeding with respect to any issue addressed in the Settlement Agreement.

4. The Settling Parties agree that this Settlement Agreement is an integrated agreement, so that if the Commission rejects any portion of this Settlement Agreement, each party has the right to withdraw. Furthermore, the Settlement Agreement is being presented as an integrated package such that Settling Parties are agreeing to the Settlement Agreement as a whole rather than agreeing to specific elements of the Settlement Agreement.
5. This Settlement Agreement is the product of a process of direct negotiation between the Settling Parties. The only other party to this proceeding, a collection of six mutual water companies,¹ participated in the settlement process but is not a party to the Settlement Agreement. Accordingly, the Settlement Agreement is not presented as an all-party settlement.
6. The Settling Parties agree that no signatory to the Settlement Agreement assumes any personal liability as a result of his or her execution of this document. All rights and remedies of the Settling Parties are limited to those available before the Commission.
7. This Settlement Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts together shall constitute one and the same instrument.
8. This Settlement Agreement constitutes and represents the entire agreement between the Settling Parties and supersedes all prior and contemporaneous agreements, negotiations, representations, warranties and understandings of the Settling Parties with respect to the subject matter set forth herein.
9. This Settlement Agreement resolves all outstanding and still contested issues in this proceeding between SJWC and ORA except for the following:
 - a. Revenue decoupling – WRAM/MCBA;
 - b. WRAM-related Conservation Programs;
 - c. Regulatory Commission Expense;
 - d. Corporate Expense;
 - e. Payroll Expense Related to Non-Tariffed Products and Services;
 - f. Other Payroll/Labor Expense;
 - g. Payroll Taxes -- Capitalized Portion of FICA Tax;
 - h. Tax Memorandum Accounts; and
 - i. Health Care Balancing Account.

¹ The six mutual water companies are Big Redwood Park Mutual Water Company, Brush & Old Well Mutual Water Co., Mountain Summit Mutual Water Co., Oakmont Mutual Water Co., Ridge Mutual Water Co., and Villa Del Monte Mutual Water Co.

10. Many elements of SJWC's proposed Results of Operations and Capital Investment Plan presented in testimony accompanying its Application were not challenged by ORA in its Results of Operations Report and so do not present contested issues. Similarly, the positions presented by ORA in its Results of Operations Report on a number of issues were accepted by SJWC and so also do not present contested issues. This Settlement Agreement does not address such matters except as noted in Paragraph 11, below.
11. The disposition of all uncontested issues is presented, along with the disposition of topics resolved by this Settlement Agreement and the positions of the parties on the remaining contested issues, in the Comparison Exhibit, which is attached to this Settlement Agreement as Exhibit COM-01. The Comparison Exhibit displays, in a series of tables, the evolution of the positions of SJWC and ORA from their initial showings, through rebuttal testimony and settlement negotiations, to their current positions, with respect to each of the line items of SJWC's Results of Operations. For issues that remain contested, the relevant line items show the amounts in dollars and percentages by which SJWC's estimate exceeds that of ORA. In many instances, the line item itself is not contested but different amounts are shown for the current positions of SJWC and ORA, due to different allocations of Total Labor Expense or different Total Revenue estimates (resulting from contested issues).

II. TOPICS RESOLVED BY SETTLEMENT AGREEMENT

The Settlement Agreement resolves issues relating to SJWC's proposals for capital additions in years 2015, 2016, and 2017, and SJWC's proposals regarding balancing accounts and memorandum accounts.

A. UTILITY PLANT ADDITIONS

Capital investment forecasts and settlement amounts for 2015-2017 are as shown in Table 1 below, followed by descriptions, by line item, of the positions of the Settling Parties and the resolution of contested plant categories. The annual amounts and the 3-year budget totals are the amounts agreed upon by ORA and SJWC. Specific issues and their resolution are described in the sections below.

TABLE 1
(\$1,000)

Item No.	Plant Category	2015-2017 Capital Budget			2015	2016	2017	2015-2017 Settlement
		SJWC	ORA	Diff.				
1	Land	\$311.6	\$311.6	\$0	\$10.2	\$10.5	\$10.9	\$31.6
2	Source of Supply	\$29,451.7	\$22,923.1	\$6,528.6	\$8,469.1	\$8,748.1	\$5,705.9	\$22,923.1
3	Water Treatment	\$5,633.5	\$5,633.5	\$0	\$876.8	\$2,253.2	\$2,503.5	\$5,633.5
4	Reservoir and Tanks	\$46,827.3	\$45,313.8	\$1,513.5	\$20,108.3	\$13,179.4	\$12,026.2	\$45,313.8
5	Pump Stations and Equipment	\$30,893.7	\$26,285.6	\$4,608.1	\$5,741.8	\$9,475.0	\$11,408.6	\$26,625.4
6	Distribution System-New/Recycled Mains	\$19,759.0	\$19,220.6	\$538.4	\$2,733.6	\$5,505.3	\$10,981.7	\$19,220.6
7	Distribution System-Service Transfers	\$20.4	\$20.4	\$0	\$20.4	\$0	\$0	\$20.4
8	Distribution System-City, County and State	\$1,775.5	\$1,532.5	\$243.0	\$720.4	\$540.5	\$393.1	\$1,654.0
9	Distribution System-Replacement Mains	\$112,798.6	\$112,798.6	\$0	\$38,174.1	\$38,760.0	\$35,864.5	\$112,798.6
10	Distribution System-Main Extensions	\$9,787.7	\$9,433.4	\$354.3	\$3,344.3	\$2,850.7	\$3,238.4	\$9,433.4
11	Distribution System-Services	\$33,442.8	\$33,379.7	\$63.1	\$10,781.4	\$11,104.8	\$11,493.5	\$33,379.7
12	Distribution System-Meters	\$11,659.0	\$11,616.6	\$42.4	\$4,219.0	\$3,347.1	\$4,092.9	\$11,659.0
13	Distribution System-Hydrants	\$1,042.1	\$1,031.5	\$10.6	\$333.2	\$343.2	\$355.2	\$1,031.5
14	Equipment	\$22,921.3	\$14,211.3	\$8,710.0	\$5,371.9	\$5,320.7	\$3,643.7	\$14,336.3
15	Structures and Non-Specifics	\$9,496.6	\$8,996.0	\$500.6	\$3,576.6	\$3,551.1	\$2,118.6	\$9,246.3
	Total	\$335,540.80	\$312,428.20	\$23,112.60	\$104,481.00	\$104,989.50	\$103,836.70	\$313,836.70

1. Source of Supply – Sites for Replacement Wells

ISSUE: As part of its Well Replacement Program SJWC requested authorization of \$6,528,600 in budget year 2017 for the purchase of property for replacement wells (Project SJW012440). SJWC argued this expenditure is necessary due to the lack of room for future well installations at existing groundwater stations. ORA recommended disallowance of the capital expenditures based in part on cost overruns from the prior GRC for similar projects. ORA further noted that for future land purchases, the existing well sites should be evaluated first to determine whether a replacement well can be installed. In Rebuttal SJWC noted that the project from the last GRC was a two year project that did not in fact have a cost overrun and that existing well sites are thoroughly evaluated, as noted in the submitted “San Jose Water Company 2014 Well Study”.

RESOLUTION: SJWC agrees to defer this project to the next GRC. However, Parties agree that it is reasonable to expect that SJWC would purchase new property for a well replacement project regardless of approval if it proved to be necessary. If SJWC finds that purchasing land is necessary, then the company can purchase land for a well site and request to recover the cost of the land in the next rate case to be reviewed for prudence. SJWC shall demonstrate that all possible options were considered before purchasing additional land for well sites, including providing cost benefit analysis of comparing the cost of purchasing new land and installing a well with well rehab and/or installing treatment at existing sites.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Land for Well Replacement	\$6,528,600	\$6,528,600	\$0	\$6,528,600	\$0

REFERENCES: Exhibit SJW-03 (Lambing), p. 24-27; Exhibit SJW-10, Chapter 7 (Tuttle), p. 7-1 to 7-3; Exhibit ORA-1, Chapter 4 (Menda), p. 4-6 to 4-10.

2. Reservoirs and Tanks – Contingency Factor

ISSUE: SJWC requested authorization for \$6,926,400 (split between budget years 2015 and 2016) for replacement of the roof and overflow structure and additional miscellaneous improvements related to the concrete drains and the altitude valve at the Almaden Valley Reservoir (Project SJW013091 and SJW012383). Additionally, SJWC requested authorization for \$8,782,100 (split between budget years 2016 and

2017) to replace the column, roof, and liner at the Belgatos Station Basin (Projects SJW013080 and SJW012862). Finally, SJWC requested authorization for \$4,536,800 (split between budget years 2015 and 2016) to replace the columns, roof, overflow structure, and concrete sealant of the basin at Cox Station #2 (Projects SJW013088 and SJW012861). ORA did not object to the need for these projects, but recommended lower estimated project costs based on lower contingency factors and sales tax rates. Specifically, ORA recommended budgets of \$6,400,448 for the Almaden Valley Reservoir Project, \$8,139,926 for the Belgatos Station project, and \$4,191,465 for the Cost Station #2 project. In Rebuttal Testimony SJWC argued that the 30% contingency factor used in cost estimating was appropriate for the design level of the projects.

RESOLUTION: SJWC agree to ORA's position. The Parties agree to ORA's position because SJWC does have sufficient experience with similar projects to justify a lower contingency factor.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Almaden Valley Sta. (2016-2017)	\$6,926,400	\$6,926,400	\$6,400,448	\$525,952	\$6,400,448
Belgatos Sta. (2016-2017)	\$8,782,100	\$8,782,100	\$8,139,926	\$642,174	\$8,139,926
Cox Sta. #2 (2016-2017)	\$4,536,800	\$4,536,800	\$4,191,465	\$345,335	\$4,191,465

REFERENCES: Exhibit SJW-03 (Lambing), p. 114-122 and 209-215; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-2 to 3-3; Exhibit ORA-1, Chapter 4 (Menda), p. 4-12 to 4-13.

3. Pump Stations and Equipment

a. Franciscan Station Pumps

ISSUE: SJWC requested authorization for \$149,000 in 2015 (Project SJW012309) and \$1,381,700 in 2016 (Project SJW012310) to fund the replacement and relocation of two boosters and one motor control center at the Franciscan Station. This project will address low suction pressure problems and eliminate the potential for contamination infiltration. The project will also enable the boosters to operate under high demand and low tank and reservoir level scenarios, thus preventing pressure zones from becoming deficient in available fire capacity or from violating GO 103-A system capacity standards. Furthermore, this alternative addresses concerns posed

by the age of the existing booster pumps and their high risk of potential failure within the next few years. Finally, Motor Control Center (MCC) reliability and worker safety will be enhanced to meet SJWC's latest safety standards. ORA does not oppose the need for the project, but recommends the project continue as an advice letter project with an estimated budget cap of \$1,530,700. By allowing advice letter treatment, the final cost of the project can be reviewed for all reasonable and prudent costs once the project is completed.

RESOLUTION: Parties agree to advice letter treatment (Tier II) for the Franciscan Station Pumps project with an advice letter budget cap of \$1,530,700. All project costs, including, but not limited to, contract costs, materials, company labor, consulting fees, company overhead, taxes, insurance, permitting fees, and capitalized interest may be included in the advice letter filing. The advice letter will be filed only upon project completion. ORA reserves the right to review the advice letter filing for all reasonable and prudent costs. In the event that final project costs are greater than the advice letter budget cap SJWC reserves the right to seek recovery of the overage in a subsequent general rate case.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Franciscan Station Pump (2015-2016)	\$1,530,700	Advice Letter	Advice Letter	N/A	Advice Letter

REFERENCES: Exhibit SJW-03 (Lambing), p. 137-144; Exhibit ORA-1, Chapter 4 (Menda), p. 4-18 to 4-19.

b. Miguelito Station Pumps

ISSUE: SJWC requested authorization for \$207,400 in 2016 (Project SJW012347) and \$1,931,600 in 2017 (Project SJW012348) to fund the replacement of booster pumps, motors, and motor control centers at the Miguelito Station. This project will increase operational flexibility, reliability, and efficiency. The project will bring the motor control center up to modern standards, improve system reliability, provide ease of maintenance, enhance worker safety, and reduce arc flash hazard, while allowing for flexibility to expand in the future. ORA does not oppose the need for the project, but recommends the project continue as an advice letter project with an estimated budget cap of \$2,139,000. By allowing advice letter treatment, the final cost of the project can be reviewed for all reasonable and prudent costs once the project is completed.

RESOLUTION: Parties agree to advice letter treatment (Tier II) for the Miguelito Station Pumps project with an advice letter budget cap of \$2,139,000. All project costs, including, but not limited to, contract costs, materials, company labor, consulting fees, company overhead, taxes, insurance, permitting fees, and

capitalized interest may be included in the advice letter filing. The advice letter will be filed only upon project completion. ORA reserves the right to review the advice letter filing for all reasonable and prudent costs. In the event that final project costs are greater than the advice letter budget cap SJWC reserves the right to seek recovery of the overage in a subsequent general rate case.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Miguelito Station Pump (2016-2017)	\$2,139,000	Advice Letter	Advice Letter	N/A	Advice Letter

REFERENCES: Exhibit SJW-03 (Lambing), p. 239-248; Exhibit ORA-1, Chapter 4 (Menda), p. 4-21 to 4-22.

c. Harwood Court Station Pump

ISSUE: SJWC requested authorization for \$1,104,400 in 2016 (Project SJW012311) to fund the replacement of a motor control center and to add a second booster pump at the Harwood Court Station. This project will increase operational reliability and flexibility, help mitigate the existing capacity deficit, increase water supply reliability, increase asset life, and improve worker safety. The project will also provide for increased fire protection capability, and minimal disruption of water service to customers. ORA does not oppose the need for the project, but recommends a total construction budget of \$877,400. ORA's recommendation is based on the project budget submitted in SJWC's previous rate case, escalated to 2016 dollars.

RESOLUTION: Parties agree to ORA's recommended budget of \$877,400. If project costs exceed the budgeted amount, SJWC reserves the right to seek recovery of the overage in a subsequent general rate case.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Harwood Ct. Station (2016)	\$1,104,400	\$877,400	\$877,400	\$0	\$877,400

REFERENCES: Exhibit SJW-03 (Lambing), p. 224-228; Exhibit ORA-1, Chapter 4 (Menda), p. 4-22 to 4-23.

d. Line Shaft Pumping Equipment Replacement

ISSUE: SJWC requested authorization for line shaft pumping equipment replacement expenditures of \$683,400 in 2015 (Project SJW10457), \$703,900 in 2016 (Project SJW010465), and \$728,500 in 2017 (Project SJW10211). These projects cover maintenance and replacement of horizontal and vertical electric motors and pumping unit assemblies, including pump casings or bowls, column assemblies, discharge heads, and shaft segments. ORA did not oppose the need for the project, but adjusted the annual budgets based on the company's historical spending. ORA estimated annual budget amounts based on inflation adjusted historical average spending on this budget item from 2010 through 2014. Based on this methodology ORA recommended annual budgets of \$595,904, \$613,781, and \$635,263 for 2015, 2016, and 2017, respectively. In Rebuttal Testimony SJWC argued that ORA's methodology does not account for cost increases for materials used in these projects that are increasing faster than standard inflationary factors.

RESOLUTION: Parties agree to Line Shaft Pumping Equipment replacement budgets of \$623,400 in 2015, \$642,100 in 2016, and \$664,500 in 2017. This settlement was arrived at through SJWC's acknowledgement that the budgets should be in line with historical levels and ORA's acknowledgement that rising material costs necessitate a higher budget level.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Line Shaft Pumping Equipment Replacement (2015-2017)	\$2,115,800	\$2,115,800	\$1,844,948	\$270,852	\$1,930,000

REFERENCES: Exhibit SJW-03 (Lambing), p. 31-33; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-3 to 3-4; Exhibit ORA-1, Chapter 4 (Menda), p. 4-24 to 4-25.

e. Submersible Pumping Equipment Replacement

ISSUE: SJWC requested authorization for Submersible Pumping Equipment replacement expenditures of \$683,400 in 2015 (Project SJW10163), \$703,900 in 2016 (Project SJW010452), and \$728,500 in 2017 (Project SJW10468). These projects cover ongoing maintenance and replacement of submersible electric motors, pump bowl assemblies, power cables, column assemblies, discharge elbows, , and wiring for wells and booster pumps. ORA did not oppose the need for the project, but adjusted the annual budgets based on the company's historical spending. ORA estimated annual budget amounts based on inflation adjusted historical average

spending on this budget item from 2010 through 2014. Based on this methodology ORA recommended annual budgets of \$564,181, \$550,207, and \$569,464 for 2015, 2016, and 2017, respectively. In Rebuttal Testimony SJWC argued that ORA's methodology does not account for cost increases for materials used in these projects that are increasing faster than standard inflationary factors.

RESOLUTION: Parties agree to Submersible Pumping Equipment replacement budgets of \$623,400 in 2015, \$642,100 in 2016, and \$664,500 in 2017. This settlement was arrived at through SJWC's acknowledgement that the budgets should be in line with historical levels and ORA's acknowledgement that rising material costs necessitate a higher budget level.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Submersible Pumping Equipment Replacement (2015-2017)	\$2,115,800	\$2,115,800	\$1,653,852	\$461,948	\$1,930,000

REFERENCES: Exhibit SJW-03 (Lambing), p. 34-36; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-3 to 3-4; Exhibit ORA-1, Chapter 4 (Menda), p. 4-26 to 4-28.

4. Distribution System

a. Recycled Water Mains

ISSUE: SJWC requested authorization of \$4,164,000 for recycled water pipeline installation of recycled water Alignment A (Project SJW01933). Alignment A is a 21,700 foot long recycled water pipeline that will be installed in 2016 and which will allow distribution of up to 274 acre-ft per year of recycled water. Additionally, SJWC requested authorization of \$1,522,300 for recycled water pipeline installation of recycled water Alignment R (Project SJW012934). Alignment R is a 7,100 foot long recycled water pipeline that will be installed in 2016 and which will allow distribution of up to 265 acre-ft per year of recycled water. Finally, SJWC requested authorization of \$11,339,100 for recycled water pipeline installation of recycled water Alignment D (Project SJW012935). Alignment D is a 27,400 foot long recycled water pipeline that will be installed in 2017 and which will allow distribution of up to 477 acre-ft per year of recycled water. ORA did not object to the need for these projects, but recommended lower estimated project costs based on different escalation factors. Specifically, ORA recommends the use of escalation factors as provided in the Energy Cost of Service and Natural Gas Branches (ECOS) monthly memos. Based on the use of the ECOS escalation factors ORA recommended construction

budgets of \$4,011,220 for Alignment A, \$1,494,037 for Alignment R, and \$10,981,710 for Alignment D. In Rebuttal Testimony SJWC argued that the original cost estimates were based on industry standard escalation factors and that these estimates should be approved.

RESOLUTION: Parties agree to adopt ORA's position. In this instance the ECOS escalation factors provide an appropriate escalation of costs.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Recycled Water Alignment A	\$4,164,000	\$4,164,000	\$4,011,220	\$152,780	\$4,011,220
Recycled Water Alignment R	\$1,522,300	\$1,522,300	\$1,494,037	\$28,263	\$1,494,037
Recycled Water Alignment D	\$11,339,100	\$11,339,100	\$10,981,710	\$357,390	\$10,981,710

REFERENCES: Exhibit SJW-02, Chapter 20 (Hoang); Exhibit SJW-03 (Lambing), p. 264-305 and 360-409; Exhibit SJW-10, Chapter 7 (Tuttle), p. 7-3 to 7-5; Exhibit ORA-1, Chapter 4 (Menda), p. 4-28 to 4-32.

b. City, County, and State

ISSUE: SJWC requested authorization of \$408,000 in 2015 (Project SJW012332), \$420,200 in 2016 (Project SJW10278), and \$434,900 in 2017 (Project SJW10283) for City, County, and State project related facility relocations. Specifically, these annual budgets provide funding for facility relocations or improvements of SJWC facilities performed in conjunction with Department of Public Works and Department of Transportation projects undertaken by the city, county and state agencies per franchise agreements. ORA does not oppose the need for these projects, but recommends a budget amount based on the 5-year inflation adjusted average. Based on this methodology ORA recommends budget amounts of \$329,470 in 2015, \$339,354 in 2016, and \$351,231 in 2017. In Rebuttal Testimony SJWC argued that local governmental agencies are increasing their infrastructure improvement and replacement expenditures to offset lower infrastructure investment levels from the post-2008 economic crisis.

RESOLUTION: Parties agree to adopt budgets of \$368,700 in 2015, \$379,800 in 2016, and \$393,100 in 2017. This settlement was arrived at through parties' acknowledgement that the budgets should be in line with historical levels.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
City, County, and State Facilities (2015-2017)	\$1,263,100	\$1,263,100	\$1,020,055	\$243,045	\$1,141,600

REFERENCES: Exhibit SJW-02 (Jensen), WP 11-7, WP 11-8, and WP 11-9; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-4 to 3-5; Exhibit ORA-1, Chapter 4 (Menda), p. 4-32 to 4-34.

c. Pressure Monitors

ISSUE: SJWC requested authorization for \$354,300 in 2015 (Project SJW012826), \$365,000 in 2016 (Project SJW012827), and \$377,800 in 2017 (Project SJW012828) for the purchase and installation of pressure monitors throughout SJWC's service area. This program will provide SJWC more representative data than is currently possible with existing Supervisory Control and Data Acquisition (SCADA) data, pressure model, and field surveys. ORA does not oppose the need for these projects, but recommends the program be delayed for one year based on the current progress of the project.

RESOLUTION: Parties agree to delay the project for one year and remove the 2015 budgeted portion of the overall project (Project SJW012826). The 2016 (Project SJW012827) and 2017 (Project SJW012828) components will remain in place.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Pressure Monitors (2015-2017)	\$1,097,100	\$742,800	\$742,800	\$0	\$742,800

REFERENCES: Exhibit SJW-03 (Lambing), p. 48 - 53; Exhibit ORA-1, Chapter 4 (Menda), p. 4-38 to 4-39.

d. Services (2" and larger)

ISSUE: SJWC requested authorization for \$20,400 in 2015 (Project SJW10304), \$21,000 in 2016 (Project SJW10191), and \$21,700 in 2017 (Project SJW012828) for the purchase and installation of new and replacement 2" and larger services. ORA recommends that services 2" and larger be captured within the overall service replacement budget, and that these specific 2" and larger budget items be eliminated.

RESOLUTION: Parties agree to remove the 2" and larger service installations and replacements and to capture these costs within the overall service replacement budget.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Services – 2" and larger (2015-2017)	\$63,100	\$0	\$0	\$0	\$0

REFERENCES: Exhibit SJW-02 (Jensen), WP 11-7, WP 11-8, and WP 11-9; Exhibit ORA-1, Chapter 4 (Menda), p. 4-39 to 4-42.

e. Meters

ISSUE: SJWC requested authorization for \$1,114,200 in budget year 2015 for the replacement of obsolete Sensus meters (Project SJW012608). ORA does not object to the need for the project, but recommends that 17 of the meters proposed for replacement be removed from the project budget. ORA argues that these specific meters do not meet the replacement criterion. Based on the removal of these 17 meters ORA recommends a budget of \$1,071,780. In Rebuttal Testimony SJWC argued that the meters are not being removed because they do, or do not, meet the standard replacement criterion, but rather because the meter manufacturer, Sensus Technologies, is discontinuing the product. This includes phasing out the availability of replacement parts. Further, SJWC noted that all of the meters in the program, including the 17 specified in ORA's report, had been replaced.

RESOLUTION: Parties agree to adopt SJWC's position since the work has already been completed and ORA has not challenged the reasonableness of the completed work's costs.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Sensus Meter Replacement (2015)	\$1,114,200	\$1,114,200	\$1,071,780	\$42,420	\$1,114,200

REFERENCES: Exhibit SJW-03 (Lambing), p. 45-47; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-4 to 3-6; Exhibit ORA-1, Chapter 4 (Menda), p. 4-42 to 4-45.

f. Hydrants

ISSUE: SJWC is requesting \$306,000, \$315,200, and \$326,200 in 2015-2017, respectively to replace hydrants within the City of San Jose (SJW10225, SJW10280, and SJW012483 for 2015-2017, respectively) and outside the City of San Jose (SJW10273, SJW10192, and SJW012483 for 2015-2017, respectively). ORA did not oppose the need for the projects, but adjusted the annual budgets based on the company's historical spending. ORA estimated annual budget amounts based on inflation adjusted historical average spending on this budget item from 2010 through 2014. Based on this methodology ORA recommended annual budgets of \$302,600, \$311,700, and \$322,600 for 2015, 2016, and 2017, respectively.

RESOLUTION: Parties agree to ORA's recommended budgets.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Hydrants (2015-2017)	\$947,400	\$936,900	\$936,900	\$0	\$936,900

REFERENCES: Exhibit SJW-02 (Jensen), WP 11-7, WP 11-8, and WP 11-9; Exhibit ORA-1, Chapter 4 (Menda), p. 4-45 to 4-46.

5. Equipment - Advanced Metering Infrastructure

ISSUE: SJWC proposed full scale implementation of Advanced Metering Infrastructure (AMI) throughout the service area. SJWC's proposal consisted of both a capital component and an expense component. The capital component of \$510,000 in 2016, \$5,799,000 in 2017, and \$2,401,000 in 2018 and the expense component was \$1,156,700 in 2016, \$1,186,400 in 2017, and \$1,168,700 in 2018. ORA recommended that instead of authorizing a full-scale implementation SJWC should conduct a study to quantify the net benefits of AMI. ORA recommended that

SJWC should file a Tier II Advice Letter requesting pilot study funding prior to receiving any Commission approval for pilot study funding.

RESOLUTION: SJWC and ORA agree that SJWC should perform a pilot study prior to full scale AMI implementation. The pilot study will include two components, a capital component and a expense component. The capital component will consist of \$225,000 in 2016 for high resolution meters and AMI technology. This capital component will be offset by grant funding of \$100,000 provided by the Santa Clara Valley Water District, thus the amount to be included in utility plant in service is \$125,000. The expense component will consist of \$250,000 amortized over the 3-year GRC cycle (\$83,333 per year in each of the years 2016-2018). This \$250,000 will be used to hire an independent consultant to develop the structure for the pilot, the methodology and data collection necessary for measuring and verifying the net benefits resulting from the pilot, the methodology for estimating the net benefits of full implementation, and the criteria that should be used to determine whether full implementation is financially prudent. Upon completion of the pilot study parameters SJWC and ORA staff will meet to discuss the planned pilot study, at which time ORA will provide input and recommendations regarding the planned study. Subsequent to this meeting, SJWC will file a Tier 1 Information Only Advice Letter outlining the parameters of the pilot study. Upon completion of the pilot study, and if results of the study justify, SJWC can file a separate Application seeking CPUC approval for full AMI implementation. A study prepared by the independent consultant would be included in any such Application.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
AMI Capital (2015-2017)	\$8,710,000	\$8,710,000	\$0	\$8,710,000	\$125,000
AMI Expense (2016-2018)	\$3,511,800	\$3,511,800	\$0	\$3,511,800	\$225,000

REFERENCES: Exhibit SJW-03 (Lambing), p. 64-86; Exhibit SJW-10, Chapter 1 (Day), p. 1-1 to 1-5; Exhibit ORA-1, Chapter 4 (Menda), p. 4-47 to 4-51.

6. Vehicles

ISSUE: SJWC is requesting a total 3-year budget of \$5,473,500 for the replacement of vehicles that meet SJWC's vehicle replacement criteria, or that will meet the criteria by the end of 2017. Consistent with the Commission's vehicle replacement policy, ORA's analysis used a mileage threshold of 120,000 miles or a service life threshold of eight years to determine the number of vehicles that should be replaced. Based on this analysis ORA recommends a 3-year replacement budget of \$4,972,880. In Rebuttal Testimony SJWC argued that the utility's fleet is specialized

for water utility operations, and cannot be characterized by generic standards related to normal wear and tear, fuel economy, service intervals and how the vehicles are utilized.

RESOLUTION: Parties agree to a 3-year replacement budget of \$5,223,200 with \$1,165,300 in 2015, \$2,168,900 in 2016, and \$1,889,000 in 2017. Parties agree that the proposed budgets are in line with the ORA's policy and the useful life of specialized vehicles.

<u>Issue</u>	<u>SJWC Direct</u>	<u>SJWC Rebuttal</u>	<u>ORA Report</u>	<u>Difference</u>	<u>Settlement</u>
Vehicle Replacement (2015-2017)	\$5,473,500	\$5,473,500	\$4,972,880	\$500,620	\$5,223,200

REFERENCES: Exhibit SJW-03 (Lambing), p. 37-42; Exhibit SJW-10, Chapter 3 (Lambing), p. 3-6 to 3-8; Exhibit ORA-1, Chapter 4 (Menda), p. 4-52 to 4-53.

B. BALANCING AND MEMORANDUM ACCOUNTS

a. Balancing and Memorandum Account Disbursement

ISSUE: In Testimony ORA recommended removal of an \$878,024 Mandatory Conservation Rate Adjustment Memorandum Account (MCRAMA) balance from the 2012 Balancing Account that had subsequently been recovered. ORA reduced their estimated Balancing Account surcharge rate to reflect the removal of the MCRAMA balance. In Rebuttal Testimony SJWC noted that the MCRAMA balance had been removed from the 2013 Balancing Account after recovery of the \$878,024 balance was completed. Thus, when all Balancing Accounts are combined, the MCRAMA balance had been removed.

RESOLUTION: Parties agree that the MCRAMA balance was appropriately accounted for in SJWC's calculations and that SJWC's proposed Balancing Account and Memorandum Account recovery calculations should be adopted.

REFERENCES: Exhibit SJW-01, Chapter 17 (Jensen), p. 17-2 to 17-3; Exhibit SJW-10, Chapter 2 (Jensen), p. 2-9 to 2-11; Exhibit ORA-1, Chapter 10 (Keowen).

b. Preliminary Statement Update

ISSUE: In Testimony ORA recommended that SJWC should update its preliminary statement to, among other items, remove the Research, Development and Demonstration Memorandum Account and the Intervenor Compensation

Memorandum Account. In Rebuttal Testimony SJWC argued that both accounts were still necessary to track future expenses. SJWC further argued that SJWC's Pension Expense Balancing Account should be updated to reference the most current applicable General Rate Case Decision.

RESOLUTION: Parties agree that the Research Development and Demonstration Memorandum Account and the Intervenor Compensation Memorandum Account will stay open and that SJWC's Pension Expense Balancing Account should be updated to reference the most current applicable General Rate Case Decision. The continuing status of these accounts will be reviewed in SJWC's next GRC.

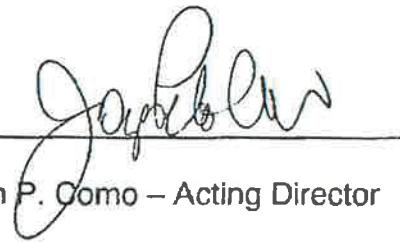
REFERENCES: Exhibit SJW-01, Chapter 17 (Jensen), p. 17-2 to 17-3; Exhibit SJW-10, Chapter 2 (Jensen), p. 2-9 to 2-11; Exhibit ORA-1, Chapter 10 (Keowen).

III. CONCLUSION

The Parties mutually believe that, based on the terms and conditions stated above, this Settlement is reasonable in light of the whole record, is consistent with the law, and is in the public interest.

Respectfully submitted,

OFFICE OF RATEPAYER
ADVOCATES

By: 

Joseph P. Como – Acting Director

OFFICE OF RATEPAYER ADVOCATES
California Public Utilities Commission
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Dated: July 24, 2015

SAN JOSE WATER COMPANY

By: 

Palle Jensen – Senior Vice President
of Regulatory Affairs

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San Jose, CA 95110
E-mail: palle_jensen@sjwater.com

Dated: July 24, 2015

**SAN JOSE WATER COMPANY
(U-168-W)**

**GENERAL RATE CASE
A.15-01-002**

EXHIBIT COM-01

**JOINT COMPARISON EXHIBIT
OF SAN JOSE WATER COMPANY
AND THE OFFICE OF RATEPAYER ADVOCATES IN
GENERAL RATE CASE APPLICATION 15-01-002**

Exhibit COM-01

JOINT COMPARISON EXHIBIT OF SAN JOSE WATER COMPANY AND THE OFFICE OF RATEPAYER ADVOCATES IN GENERAL RATE CASE APPLICATION 15-01-002

The San Jose Water Company (SJWC) and the Office of Ratepayer Advocates (ORA) have prepared this Joint Comparison Exhibit as a reference for comparing both Parties original positions as stated in testimony and current (final) positions based on the proposed settlement. The Exhibit includes comparisons of Parties' positions on:

- **Table 1:** Test Year 2016 Summary of Earnings at Present and Proposed Rates
- **Table 2:** Test Year 2016 Operating Revenues at Present and Proposed Rates
- **Table 3:** Test Year 2016 Operating and Administrative Expenses
- **Table 4:** Test Year 2016 Taxes at Proposed Rates
- **Table 5A-5C:** Utility Plant in Service – Budget Years 2015-2017
- **Table 6:** Test Years 2016 and 2017 Ratebase
- **Table 7:** Test Year 2016 Customer Forecasts and Sales Estimates
- **Table 8:** Non-Revenue Requirement Issues

The column ORA Testimony reflects ORA's position as provided in Exhibit O-1: Report on the Results of Operations. The column ORA Final reflects ORA's position with the settlement items included. The column SJWC Application reflects the SJWC position as submitted in exhibits accompanying the initial A.15-01-002 filing on January 5, 2015. The column SJWC Update reflects the revised estimates as provided in the 45-Day Update filing on February 19, 2015. And the column SJWC Final reflects SJWC's position with all agreed upon and settled items between ORA and SJWC incorporated.

The column "Current Status" includes notes that designate the contested or resolved status of each line item. Notes are as follows:

- a. ORA accepted SJWC's position/estimate as stated in Exhibits SJWC -1 and/or SJWC-2.
- b. SJWC accepted ORA's position/estimate as stated in Exhibit O-01.
- c. Parties agree on positions/estimating methodology for the line item - differences are due to allocation of differing estimates of Total Labor Expense.
- d. Parties agree on positions/estimating methodology for the line item - differences are due to the effect of differing estimates of Total Revenue at Proposed Rates.
- e. Issue settled as specified in Joint Settlement Agreement.
- f. Issue remains contested and was addressed in evidentiary hearing.

The column "Reference" provides locations in the various Exhibits where Parties have presented arguments on the individual items/issues. The reference nomenclature is Exhibit, Chapter, Page, Section. For example "O-01, CH02, P02, §C2.a" refers to ORA Exhibit O-01, Chapter 2, page 2, Section C.2.a.

DETAILED JOINT COMPARISON EXHIBIT

TABLE 1:
TEST YEAR 2016 SUMMARY OF EARNINGS AT PRESENT AND PROPOSED RATES

Line	Item	ORA Testimony	ORA Final*	\$ SJWC > ORA	% SJWC > ORA	\$ JWC Final*	\$ JWC Update	\$ JWC Application
1	Summary of Earnings at Present Rates							
2	Operating Revenue	\$274,948	\$292,146	\$0	0.0%	\$220,146	\$286,513	\$286,146
3								
4	Operating & Maintenance Expense	\$141,830	\$159,283	\$6,024	3.8%	\$165,307	\$159,183	\$158,588
5	Administrative & General Expense	\$26,479	\$26,476	\$2,740	10.3%	\$29,216	\$29,278	\$29,282
6	Taxes Other Than Income	\$10,713	\$10,757	\$1,221	11.4%	\$11,978	\$11,974	\$11,854
7	Depreciation & Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571
8	Income Taxes	\$14,695	\$14,455	(\$4,083)	-28.2%	\$10,372	\$10,475	\$12,236
9	Total Operating Expenses	\$235,703	\$252,957	\$5,903	2.3%	\$28,859	\$252,896	\$253,531
10								
11	Net Operating Revenue	\$39,245	\$39,189	(\$5,903)	-15.1%	\$33,287	\$33,616	\$32,615
12								
13	Depreciated Rate Base	\$656,558	\$657,921	\$1,070	0.2%	\$658,991	\$664,755	\$658,370
14	Rate of Return	5.98%	5.98%	-1%	-15.2%	5.05%	5.05%	4.93%
15								
16	Summary of Earnings at Proposed Rates							
17	Operating Revenue	\$298,416	\$315,885	\$10,103	3.2%	\$325,988	\$320,544	\$321,073
18								
19	Operating & Maintenance Expense	\$141,830	\$159,283	\$6,024	3.8%	\$165,307	\$159,183	\$158,588
20	Administrative & General Expense	\$26,479	\$26,476	\$2,740	10.3%	\$29,216	\$29,278	\$29,282
21	Taxes Other Than Income	\$10,769	\$10,814	\$1,245	11.5%	\$12,059	\$12,056	\$11,936
22	Depreciation & Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571
23	Income Taxes	\$24,220	\$24,090	\$17	0.1%	\$24,107	\$24,288	\$26,434
24	Total Operating Expenses	\$245,284	\$262,649	\$10,027	3.8%	\$272,675	\$266,790	\$267,811
25								
26	Net Operating Revenue	\$53,132	\$53,237	\$76	0.1%	\$53,313	\$53,754	\$53,262
27								
28	Depreciated Rate Base	\$656,558	\$657,921	\$1,070	0.2%	\$658,991	\$664,755	\$658,370
29	Rate of Return	8.09%	8.09%	0%	0.0%	8.09%	8.09%	8.09%

*"Current" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

DETAILED JOINT COMPARISON EXHIBIT

TABLE 2:
TEST YEAR 2016 OPERATING REVENUES AT PRESENT AND PROPOSED RATES

Line	Item	ORA Testimony	ORA Final*	\$ SJWC > ORA	% SJWC > ORA	\$ SJWC Final*	\$ SJWC Update	\$ JWC Application
1 Oper. Revenues at Present Rates								
2 Residential	\$168,740	\$178,826	\$0	0.0%	\$176,826	\$176,816	\$176,618	
3 Business	\$84,572	\$90,593	\$0	0.0%	\$90,593	\$87,064	\$86,903	
4 Industrial Revenue	\$980	\$1,050	\$0	0.0%	\$1,050	\$984	\$984	
5 Public Authorities	\$12,166	\$13,045	\$0	0.0%	\$13,045	\$13,053	\$13,073	
6 Resale	\$1,286	\$1,397	\$0	0.0%	\$1,397	\$1,559	\$1,559	
7 Other	\$818	\$849	\$0	0.0%	\$849	\$651	\$651	
8 Raw Water	\$53	\$53	\$0	0.0%	\$53	\$53	\$53	
9 Recycled Water	\$2,477	\$2,477	\$0	0.0%	\$2,477	\$2,477	\$2,470	
10								
11 Private Fire Service	\$3,164	\$3,164	\$0	0.0%	\$3,164	\$3,184		
12								
13 Subtotal	\$274,256	\$291,454	\$0	0.0%	\$291,454	\$285,821	\$285,495	
14								
15 Misc. & Deferred Revenue	\$692	\$692	\$0	0.0%	\$692	\$692	\$692	
16								
17 Total Revenues at Present Rates	\$274,948	\$292,146	\$0	0.0%	\$292,146	\$286,513	\$286,146	
18								
19 Oper. Revenues at Proposed Rates								
20 Residential	\$183,537	\$193,693	\$6,465	3.3%	\$200,158	\$198,901	\$199,138	
21 Business	\$91,403	\$97,454	\$2,922	3.0%	\$100,376	\$96,501	\$96,700	
22 Industrial Revenue	\$1,059	\$1,129	\$34	3.0%	\$1,163	\$1,091	\$1,095	
23 Public Authorities	\$13,141	\$14,024	\$416	3.0%	\$14,440	\$14,434	\$14,518	
24 Resale	\$1,378	\$1,490	\$38	2.6%	\$1,528	\$1,691	\$1,702	
25 Other	\$900	\$931	\$31	4.1%	\$969	\$762	\$750	
26 Raw Water	\$62	\$67	\$5	2.6%	\$69	\$63	\$64	
27 Recycled Water	\$2,810	\$2,984	\$79	2.6%	\$3,063	\$2,869	\$2,872	
28								
29 Private Fire Service	\$3,434	\$3,421	\$109	3.2%	\$3,530	\$3,540	\$3,573	
30								
31 Subtotal	\$297,724	\$315,193	\$10,103	3.2%	\$325,296	\$319,852	\$320,422	
32								
33 Misc. & Deferred Revenue	\$692	\$692	\$0	0.0%	\$692	\$692	\$652	
34								
35 Total Revenues at Proposed Rates	\$298,416	\$315,885	\$10,103	3.2%	\$325,988	\$320,544	\$321,073	

*"Current" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

DETAILED JOINT COMPARISON EXHIBIT
TABLE 3:
TEST YEAR 2016 OPERATING AND ADMINISTRATIVE EXPENSES

Line	Item	ORA	ORA Testimony	\$ SIWC	% SIWC > ORA	SIWC	SIWC Final*	Update	SIWC	Current Status	ORA	SIWC Reference
1	Operating & Maintenance Expenses											
2	Purchased Water Portable	\$59,787	\$70,163	\$0	0.0%	\$70,163	\$59,787		\$59,787	a	O-01,CH02,P02,§C2.a	SIW-01,CH03,P02,§D
3	Purchased Water Recycled	\$1,262	\$1,262	\$0	0.0%	\$1,262	\$1,259		\$1,259	a	O-01,CH02,P04,§C2.b	SIW-01,CH03,P02,§D
4	Other Source of Supply	\$1,064	\$1,066	\$128	12.0%	\$1,194	\$1,222		\$1,250	c	O-01,CH02,P05,§C2.c	SIW-01,CH03,P02,§B
5	Purchased Power	\$8,915	\$8,915	\$0	0.0%	\$8,915	\$9,454		\$9,454	a	O-01,CH02,P06,§C2.d	SIW-01,CH03,P02,§B
6	Pump Taxes	\$35,406	\$42,373	\$0	0.0%	\$42,373	\$40,947		\$40,819	a	O-01,CH02,P06,§C2.e	SIW-01,CH03,P02,§D
7	Other Pumping Expenses	\$3,318	\$3,326	\$479	14.4%	\$3,805	\$3,914		\$3,768	c	O-01,CH02,P07,§C2.f	SIW-01,CH03,P01,§B
8	Chemical & Filtering Material	\$459	\$459	\$0	0.0%	\$459	\$459		\$460	a	O-01,CH02,P07,§C2.g	SIW-01,CH03,P01,§B
9	Other Water Treatment	\$2,921	\$2,921	\$440	15.1%	\$3,361	\$3,376		\$3,438	c	O-01,CH02,P08,§C2.h	SIW-01,CH03,P01,§B
10	Transmission & Distribution	\$3,656	\$3,658	\$696	19.0%	\$4,354	\$4,386		\$4,398	c	O-01,CH02,P09,§C2.i	SIW-01,CH03,P01,§B
11	Customer Accounts - Uncollectibles	\$452	\$478	\$16	3.3%	\$494	\$485		\$499	d	O-01,CH02,P10,§C2.i.ii	SIW-01,CH03,P01,§B
12	Customer Accounts - Labor	\$4,189	\$4,189	\$961	22.9%	\$5,150	\$5,150		\$5,486	c	O-01,CH02,P10,§C2.i.iii	SIW-01,CH03,P01,§B
13	Customer Accounts - Transportation	\$95	\$95	\$7	7.4%	\$102	\$84		\$84	c	O-01,CH02,P10,§C2.i.iv	SIW-01,CH03,P01,§B
14	Customer Accounts - Postage	\$523	\$523	\$0	0.0%	\$523	\$533		\$529	a	O-01,CH02,P11,§C2.i.v	SIW-01,CH03,P01,§B
15	Customer Accounts - Purchased Services	\$2,261	\$2,281	\$0	0.0%	\$2,281	\$2,586		\$2,241	c	O-01,CH02,P11,§C2.i.v	SIW-01,CH03,P01,§B
16	Conservation - Base Program	\$129	\$129	\$0	0.0%	\$129	\$132		\$133	a	O-01,CH02,P11,§C2.i.vi	SIW-01,CH03,P05,§D
17	Conservation - WRAM Related	\$0	\$0	\$1,336	100.0%	\$1,536	\$1,536		\$1,536	f	O-01,CH02,P12,§C2.i.vii	SIW-01,CH18,P14,§E; SIW-10,CH06
18	Conservation - Recycled Retriffs	\$2,375	\$2,375	\$0	0.0%	\$2,375	\$6,146		\$6,146	b	O-01,CH02,P15,§C2.i.vii.3	SIW-01,CH20
19	Customer Accounts - Other	\$169	\$169	\$0	0.0%	\$169	\$172		\$32	a	O-01,CH02,P17,§C2.i.vii	SIW-01,CH08,P01,§B
20	Non-Tariffed Service Adjustment	(\$760)	(\$760)	\$0	0.0%	(\$760)	(\$674)		(\$649)	b	O-01,CH02,P17,§C2.i.vii	SIW-01,CH08,P05,§D
21	Maintenance Source of Supply	\$180	\$182	\$5	2.7%	\$187	\$208		\$159	c	O-01,CH02,P18,§C3.a	SIW-01,CH08,P01,§B
22	Maintenance Pumping	\$1,248	\$1,254	\$128	10.2%	\$1,382	\$1,476		\$1,563	c	O-01,CH02,P18,§C3.b	SIW-01,CH08,P01,§B
23	Maintenance Water Treatment Plant	\$659	\$659	\$11	1.7%	\$670	\$672		\$701	c	O-01,CH02,P18,§C3.c	SIW-01,CH08,P01,§B
24	Maintenance Transmission & Distribution	\$13,530	\$13,574	\$1,617	11.9%	\$15,191	\$15,848		\$14,922	c	O-01,CH02,P19,§C3.d	SIW-01,CH08,P01,§B
25	Maintenance Expense Adjustments	(\$8)	(\$8)	\$0	0.0%	(\$8)	(\$8)		(\$8)	a	O-01,CH02,P20,§C3.e	SIW-01,CH08,P01,§B
26	Subtotal O&M Expenses	\$141,830	\$159,283	\$6,024	3.8%	\$165,307	\$159,183		\$158,588			
27												
28	Administrative & General (A&G) Expenses											
29	A&G Salaries	\$7,623	\$7,623	\$1,749	22.9%	\$9,372	\$9,372		\$9,283	c	O-01,CH02,P20,§C4.a	SIW-01,CH09
30	A&G Office Supplies	\$1,995	\$1,995	\$12	0.6%	\$2,006	\$2,042		\$2,038	c	O-01,CH02,P20,§C4.b	SIW-01,CH09
31	A&G Property Insurance	\$233	\$234	\$0	0.0%	\$234	\$234		\$225	a	O-01,CH02,P24,§C4.c	SIW-01,CH09
32	A&G Injuries & Damages Insurance	\$2,025	\$2,022	\$225	11.1%	\$2,247	\$2,258		\$2,226	d	O-01,CH02,P25,§C4.d	SIW-01,CH09
33	A&G Pensions, Benefits, & PBOP	\$16,134	\$16,134	\$488	3.0%	\$16,621	\$16,698		\$16,877	c	O-01,CH02,P26,§C4.e	SIW-01,CH09
34	A&G Regulatory Commission	\$186	\$186	\$156	84.2%	\$342	\$341		\$341	f	O-01,CH02,P28,§C4.f	SIW-01,CH09-SJW-10,CH02,P03
35	A&G Outside Services	\$3,112	\$3,112	\$0	0.0%	\$3,112	\$3,161		\$3,367	a	O-01,CH02,P29,§C4.g	SIW-01,CH09
36	A&G Dues & Memberships	\$427	\$427	\$0	0.0%	\$427	\$467		\$496	b	O-01,CH02,P30,§C4.h	SIW-01,CH09
37	A&G Corporate Expenses	\$790	\$790	\$101	12.8%	\$891	\$981		\$819	f	O-01,CH02,P30,§C4.i	SIW-01,CH09-SJW-10,CH02,P05
38	A&G Rents	\$498	\$498	\$0	0.0%	\$498	\$508		\$508	a	O-01,CH02,P31,§C4.j	SIW-01,CH09
39	A&G Maintenance	\$918	\$918	\$9	1.0%	\$927	\$944		\$938	c	N/A	SIW-01,CH09
40	A&G Transferred Expenses	(\$7,462)	(\$7,462)	\$0	0.0%	(\$7,462)	(\$7,634)		(\$7,937)	a	N/A	SIW-01,CH09
41	Subtotal A&G Expenses	\$26,479	\$26,476	\$2,740	10.3%	\$29,216	\$29,278		\$29,282			
42	Allotted Expenses											
43	Total Labor Expense	\$34,565	\$34,565	\$7,930	22.9%	\$42,496	\$42,496		\$42,504	f	O-01,CH03	SIW-10,CH04,P02; SJW-10,CH02,P05
44	Transportation Expense	\$3,607	\$2,683	7.4%		\$3,876	\$3,896		\$3,762	c	O-01,CH02,P31,§C5.b	SIW-01,CH08,P01,§B
45	Purchased Services	\$10,507	\$10,591	\$0	0.0%	\$10,591	\$11,830		\$11,975	e	O-01,CH02,P33,§C5.c	SIW-01,CH08,P01,§B; SJW-10,CH01

*"Current" positions for SIWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

DETAILED JOINT COMPARISON EXHIBIT

TABLE 4:
TEST YEAR 2016 TAXES AT PROPOSED RATES

Line	Item	ORA Testimony	ORA Final*	\$ SJWC > ORA	% SJWC > ORA	SJWC Final*	SJWC Update	SJWC Application	Current Status	ORA Reference	SJWC Reference
1	TAXES										
2	Taxes Other Than Income										
3	Ad Valorem Taxes	\$8,138	\$8,141	\$0	0.0%	\$8,141	\$8,151	\$7,986	a	O-01,CH06,P01,§C1	SJW-01,CH10,P01,§B
4	Business License Fees	\$33	\$33	\$0	0.0%	\$33	\$33	\$33	a	O-01,CH06,P03,§C3	SJW-01,CH10,P01,§B
5	Payroll Taxes	\$1,885	\$1,885	\$1,221	64.8%	\$3,106	\$3,106	\$3,166	f	O-01,CH06,P02,§C2	SJW-01,CH10,P01,§B;
6	Franchise Fees	\$714	\$755	\$24	3.2%	\$780	\$767	\$751	d	O-01,CH06,P04,§C4	SJW-01,CH10,P01,§B
7	Subtotal Taxes Other Than Income	\$10,769	\$10,814	\$1,245	11.5%	\$12,059	\$12,056	\$11,936			
8											
9	Depreciation and Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571	a	O-01,CH07,P03,§C2	SJW-01,CH12
10											
11	Income Taxes	\$199,933	\$217,498	\$10,061	4.6%	\$227,559	\$221,671	\$220,268			
12	Total Deductions										
13											
14	CCFT Depreciation for Taxes	(\$39,781)	(\$40,114)	\$0	0.0%	(\$40,114)	(\$40,114)	(\$43,346)	a		
15	Tax Deduction on Repairs & Maintenance	(\$22,613)	(\$22,613)	\$0	0.0%	(\$22,613)	(\$22,613)	\$0	a		
16	Deferred Revenue (Net of Tax)	\$43	\$43	\$0	0.0%	\$43	\$43	\$39	a		
17	Taxable Income Incl Def Revenue	\$35,644	\$35,216	\$42	0.1%	\$35,258	\$35,702	\$57,050			
18	California State Tax @ 8.84%	\$3,151	\$3,113	\$4	0.1%	\$3,117	\$3,156	\$5,043			
19											
20	FIT Depreciation for Taxes	(\$33,318)	(\$33,524)	\$0	0.0%	(\$33,524)	(\$33,524)	(\$32,868)	a		
21	CCFT Deduction	(\$3,151)	(\$3,113)	(\$4)	0.1%	(\$3,117)	(\$3,156)	(\$5,043)			
22	Domestic Production Activities Deduction	(\$1,338)	(\$1,338)	\$0	0.0%	(\$1,338)	(\$1,338)	(\$1,338)	a		
23	Taxable Income	\$60,188	\$59,925	\$38	0.1%	\$59,963	\$60,367	\$61,108			
24	Federal Income Tax @ 3.5%	\$21,066	\$20,974	\$13	0.1%	\$20,987	\$21,129	\$21,388			
25	Tax on CAC and Advances	\$3	\$3	\$0	0.0%	\$3	\$3	\$3	a		
26	Subtotal Income Taxes	\$24,220	\$24,090	\$17	0.1%	\$24,107	\$24,288	\$26,434			

*"Current" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

DETAILED JOINT COMPARISON EXHIBIT

TABLE 5A:
UTILITY PLANT IN SERVICE - BUDGET YEAR 2015

Line	Item	ORA Final	ORA Testimony	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	Current Application Status	ORA Reference	SJWC Reference
1	UTILITY PLANT									
2	2015 Plant - CONTESTED ¹									
3	SJW013088 - Reservoirs & Tanks (Cox Sta. Basin #2)	\$283	\$283	\$0	0.0%	\$283	\$306	\$306	e	SJW-03,P114; SJW-10,CH03,P02
4	SJW013091 - Reservoirs & Tanks (Almaden Valley Sta. Reservoir)	\$170	\$170	\$0	0.0%	\$170	\$184	\$184	e	O-01,CH04,P12,\$C4.a
5	SJW012309 - Pumps (Franciscan Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$149	\$149	e	SJW-03,P137
6	SJW010163 - Pumps (Submersible Equip.)	\$534	\$623	\$0	0.0%	\$623	\$683	\$683	e	O-01,CH04,P26,\$C5.i
7	SJW010457 - Pumps (Line Shaft Equip.)	\$596	\$623	\$0	0.0%	\$623	\$683	\$683	e	O-01,CH04,P24,\$C5.h
8	SJW012332 - Distribution (City, County, State)	\$329	\$369	\$0	0.0%	\$369	\$408	\$408	e	SJW-02,WP11-7; SJW-10,CH03,P03
9	SJW012826 - Distribution (Pressure Monitors)	\$0	\$0	\$0	0.0%	\$0	\$354	\$354	e	O-01,CH04,P28,\$C6.e.ii
10	SJW10304 - Distribution (Services >2")	\$0	\$0	\$0	0.0%	\$0	\$20	\$20	e	SJW-02,WP11-7
11	SJW012608 - Distribution (Meter Replacement)	\$1,072	\$1,114	\$0	0.0%	\$1,114	\$1,114	\$1,114	e	O-01,CH04,P42,\$C6.g
12	SJW10225 - Distribution (Hydrants in San Jose)	\$202	\$202	\$0	0.0%	\$202	\$204	\$204	e	SJW-02,WP11-7
13	SJW10273 - Distribution (Hydrants outside San Jose)	\$101	\$101	\$0	0.0%	\$101	\$102	\$102	e	O-01,CH04,P45,\$C6.h
14	SJW12811 - Equipment (Automated Metering Infrastructure)	\$0	\$125	\$0	0.0%	\$125	\$510	\$510	e	O-01,CH04,P47,\$C7.a
15	2015 New Plant - CONTESTED Subtotal	\$3,286	\$3,610	\$0	0.0%	\$3,610	\$4,718	\$4,718		SJW-03,P64; SJW-10,CH01
16	2015 New Plant - UNCONTESTED	\$100,871	\$100,871	\$0	0.0%	\$100,871	\$100,871	\$100,871		
17	2015 Total UPS	\$104,158	\$104,481	\$0	0.0%	\$104,481	\$105,590	\$105,590		

¹Numbers provided are project index numbers
²Parties agreed to Advice Letter (Tier II) treatment

DETAILED JOINT COMPARISON EXHIBIT
TABLE 5B:
UTILITY PLANT IN SERVICE - BUDGET YEAR 2016

Line	Item	ORA Testimony	ORA Final	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	SJWC Application	Current Status	ORA Reference	SJWC Reference
1	2016 Plant - CONTESTED ¹										
2	SJW012383 - Reservoirs & Tanks (Almaden Valley Sta. Reservoir)	\$6,231	\$6,231	\$0	0.0%	\$6,231	\$6,743		e	O-01,CH04,P12,\$C4.a	SJW-03,P122; SJW-10,CH03,P02
3	SJW012861 - Reservoirs & Tanks (Cox Sta. Basin #2)	\$3,909	\$3,909	\$0	0.0%	\$3,909	\$4,231		e	O-01,CH04,P13,\$C4.c	SJW-03,P114; SJW-10,CH03,P02
4	SJW013080 - Reservoirs & Tanks (Belgatos Sta. Basin #1)	\$224	\$224	\$0	0.0%	\$224	\$242		e	O-01,CH04,P12,\$C4.b	SJW-03,P209; SJW-10,CH03,P02
5	SJW012310 - Pumps (Franciscan Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$1,382		e	O-01,CH04,P18,\$C5.a	SJW-03,P137
6	SJW012311 - Pumps (Harwood Cr. Sta.)	\$877	\$877	\$0	0.0%	\$877	\$1,104		e	O-01,CH04,P22,\$C5.e	SJW-03,P224
7	SJW012347 - Pumps (Miguelito Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$207		e	O-01,CH04,P21,\$C5.d	SJW-03,P239
8	SJW010452 - Pumps (Submersible Equip.)	\$550	\$642	\$0	0.0%	\$642	\$704		e	O-01,CH04,P26,\$C5.i	SJW-03,P34; SJW-10,CH03,P03
9	SJW010465 - Pumps (Line Sharft Equip.)	\$635	\$642	\$0	0.0%	\$642	\$704		e	O-01,CH04,P24,\$C5.h	SJW-03,P31; SJW-10,CH03,P03
10	SJW012933 - Distribution (Recycled Align. A)	\$4,011	\$4,011	\$0	0.0%	\$4,011	\$4,164		e	O-01,CH04,P30,\$C6.a.i	SJW-03,P264; SJW-10,CH07,P03
11	SJW012934 - Distribution (Recycled Align. R)	\$1,494	\$1,494	\$0	0.0%	\$1,494	\$1,522		e	O-01,CH04,P31,\$C6.a.ii	SJW-03,P285; SJW-10,CH07,P03
12	SJW10278 - Distribution (City, County, State)	\$339	\$380	\$0	0.0%	\$380	\$420		e	O-01,CH04,P32,\$C6.c	SJW-02,WP11-8; SJW-10,CH03,P04
13	SJW10191 - Distribution (Services >2")	\$0	\$0	\$0	0.0%	\$0	\$21		e	O-01,CH04,P39,\$C6.f	SJW-02,WP11-8
14	SJW10192 - Distribution (Hydrants in San Jose)	\$104	\$104	\$0	0.0%	\$104	\$105		e	O-01,CH04,P45,\$C6.h	SJW-02,WP11-8
15	SJW10280 - Distribution (Hydrants outside San Jose)	\$208	\$208	\$0	0.0%	\$208	\$210		e	O-01,CH04,P47,\$C7.a	SJW-02,WP11-8
16	SJW12812 - Equipment (Automated Metering Infrastructure)	\$0	\$0	\$0	0.0%	\$0	\$5,799		e	O-01,CH04,P47,\$C7.a	SJW-03,P64; SJW-10,CH01
17	SJW012627 - Non-Specifics (Fleet Vehicles)	\$2,068	\$2,169	\$0	0.0%	\$2,169	\$2,270		e	O-01,CH04,P52,\$C8.a	SJW-03,P37; SJW-10,CH03,P06
18	2016 New Plant - CONTESTED Subtotal	\$20,650	\$18,514	\$0	0.0%	\$18,514	\$21,549				
19	2016 New Plant - UNCONTESTED	\$84,099	\$86,475	\$0	0.0%	\$86,475	\$92,378				
20	2016 Total UPIS	\$104,749	\$104,989	\$0	0.0%	\$104,989	\$113,927				

¹Numbers provided are project index numbers
²Parties agreed to Advice Letter (Tier II) treatment

DETAILED JOINT COMPARISON EXHIBIT
TABLE 5C:
UTILITY PLANT IN SERVICE - BUDGET YEAR 2017

Line	Item	ORA Testimony	\$ ORA Final	% SJWC > ORA	SJWC Final	SJWC Update	SJWC Application	Current Status	ORA Reference	SJWC Reference
1										
2	2017 New Plant - CONTESTED ¹									
3	SJW012440 - Source of Supply: Well Site Purchase	\$0	\$0	0.0%	\$0	\$6,529	\$6,529	e	O-01,CH04,P06,§C2	SJW-03,P24; SJW-10,CH07,P01
4	SJW012862 - Reservoirs & Tanks (Belegatos Sta. Basin #1)	\$7,916	\$7,916	0.0%	\$7,916	\$8,541	\$8,541	e	O-01,CH04,P12,§C4.b	SJW-03,P209; SJW-10,CH03,P02
5	SJW012348 - Pumps (Mignelito Sta.) ²	\$0	\$0	0.0%	\$0	\$1,932	\$1,932	e	O-01,CH04,P21,§C5.d	SJW-03,P239
6	SJW10211 - Pumps (Line Shaft Equip.)	\$635	\$665	0.0%	\$665	\$729	\$729	e	O-01,CH04,P24,§C5.h	SJW-03,P31; SJW-10,CH03,P03
7	SJW010468 - Pumps (Submersible Equip.)	\$569	\$665	0.0%	\$665	\$729	\$729	e	O-01,CH04,P26,§C5.i	SJW-03,P34; SJW-10,CH03,P03
8	SJW012935 - Distribution (Recycled Align. D)	\$10,982	\$10,982	0.0%	\$10,982	\$11,339	\$11,339	e	O-01,CH04,P31,§C6.a.iii	SJW-03,P264; SJW-10,CH03,P03
9	SJW10283 - Distribution (City, County, State)	\$351	\$393	0.0%	\$393	\$435	\$435	e	O-01,CH04,P32,§C6.c	SJW-02,WP11-9; SJW-10,CH07,P03
10	SJW10210 - Distribution (Services >2")	\$0	\$0	0.0%	\$0	\$22	\$22	e	O-01,CH04,P39,§C6.f	SJW-02,WP11-9
11	SJW012482 - Distribution (Hydrants in San Jose)	\$215	\$215	0.0%	\$215	\$218	\$218	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-9
12	SJW012483 - Distribution (Hydrants outside San Jose)	\$108	\$108	0.0%	\$108	\$109	\$109	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-9
13	SJW012813 - Equipment (Automated Metering Infrastructure)	\$0	\$0	0.0%	\$0	\$2,401	\$2,401	e	O-01,CH04,P47,§C7.a	SJW-03,P64; SJW-10,CH01
14	SJW012628 - Non-Specifics (Fleet Vehicles)	\$1,740	\$1,889	0.0%	\$1,889	\$2,038	\$2,038	e	O-01,CH04,P32,§C8.a	SJW-03,P37; SJW-10,CH03,P06
15	2017 New Plant - CONTESTED Subtotal	\$22,516	\$22,831	0.0%	\$22,831	\$35,019	\$35,019			
16	2017 New Plant - UNCONTESTED	\$81,005	\$81,005	0.0%	\$81,005	\$81,005	\$81,005			
17	2017 Total UPS	\$103,521	\$103,837	0.0%	\$103,837	\$116,024	\$116,024			

¹Numbers provided are project index numbers
²Parties agreed to Advice Letter (Tier II) treatment

DETAILED JOINT COMPARISON EXHIBIT

TABLE 6:
TEST YEARS 2016 AND 2017 RATEBASE

Line	Item	ORA Testimony	ORA Final	\$ SIWC > ORA	% SIWC > ORA	SIWC Final	SIWC Update	SIWC Application	Current Status	ORA Reference	SIWC Reference
1	2016 RATEBASE										
2	Utility Plant	\$1,441,242	\$1,441,692	\$0	0.0%	\$1,441,692	\$1,447,407	\$1,432,326	e	O-01,CH04	
3	Adjustments to Plant	(\$184,092)	(\$184,092)	\$0	0.0%	(\$184,092)	(\$184,092)	(\$177,901)	a	O-01,CH07,P04,SC3	
4	Working Capital	\$17,363	\$18,282	\$1,070	5.9%	\$19,352	\$19,402	\$19,009	d	O-01,CH07,P01,SC1	
5	Tax Deferrals	(\$149,477)	(\$149,484)	\$0	0.0%	(\$149,484)	(\$149,484)	(\$143,062)	a	O-01,CH07	
6	Rate Base, Taxed Contributions	\$4,826	\$4,826	\$0	0.0%	\$4,826	\$4,826	\$4,622	a	O-01,CH07,P05,SC4	
7	Rate Base, Taxed Advances	\$2,800	\$2,800	\$0	0.0%	\$2,800	\$2,800	\$2,700	a	O-01,CH07,P05,SC4	
8	Depreciation Reserve	\$476,104	\$476,104	\$0	0.0%	\$476,104	\$476,104	\$479,324	a	O-01,CH07,P03,SC2	
9	2016 Weighted Avg Ratebase	\$656,559	\$657,921	\$1,070	0.2%	\$658,991	\$664,755	\$658,370			
10											
11	2017 RATEBASE										
12	Utility Plant	\$1,544,345	\$1,545,077	\$0	0.0%	\$1,545,077	\$1,561,491	\$1,546,415	e	O-01,CH04	
13	Adjustments to Plant	(\$184,668)	(\$184,668)	\$0	0.0%	(\$184,668)	(\$184,668)	(\$177,388)	a	O-01,CH07,P04,SC3	
14	Working Capital	\$18,217	\$19,121	\$1,113	5.8%	\$20,234	\$19,572	\$19,242	d	O-01,CH07,P01,SC1	
15	Tax Deferrals	(\$155,076)	(\$155,104)	\$0	0.0%	(\$155,104)	(\$155,104)	(\$148,244)	a	O-01,CH07	
16	Rate Base, Taxed Contributions	\$4,855	\$4,855	\$0	0.0%	\$4,855	\$4,855	\$4,616	a	O-01,CH07,P05,SC4	
17	Rate Base, Taxed Advances	\$2,699	\$2,699	\$0	0.0%	\$2,699	\$2,699	\$2,601	a	O-01,CH07,P05,SC4	
18	Depreciation Reserve	\$517,898	\$517,898	\$0	0.0%	\$517,898	\$518,136	\$521,468	a	O-01,CH07,P03,SC2	
19	2017 Weighted Avg Ratebase	\$712,476	\$714,083	\$1,113	0.2%	\$715,196	\$730,710	\$725,775			

A.15-01-002
Detailed Joint Comparison Exhibit of
San Jose Water Company and Office of Ratepayer Advocates

DETAILED JOINT COMPARISON EXHIBIT

TABLE 7:
TEST YEAR 2016 CUSTOMER FORECASTS AND SALES ESTIMATES

Line	Item	ORA Final Testimony	\$ SJWC Final > ORA	% SJWC > ORA	SJWC Final	Update	Application Status	ORA Reference	SJWC Reference
1	Metered Services								
2	Residential	199,416	199,416	0	0.0%	199,416	199,191	a	
3	Business	20,332	20,332	0	0.0%	20,332	20,293	a	
4	Industrial	53	53	0	0.0%	53	53	a	
5	Public Authority	1,293	1,293	0	0.0%	1,293	1,293	a	
6	Resale	32	32	0	0.0%	32	32	a	
7	Other	212	212	0	0.0%	212	188	b	
8	Total Potable Metered Services	221,358	221,338	0	0.0%	221,338	221,314	221,064	O-01,CH01,P03,§C1
9									SJW-01,CH07,P01,§B
10	Raw Water	4	4	0	0.0%	4	4	4	a
11	Recycled Water	178	178	0	0.0%	178	178	178	a
12	Total Non-Potable Metered Services	221,520	221,520	0	0.0%	221,520	221,496	221,246	
13									
14	Private Fire Service	3,709	3,709	0	0.0%	3,709	3,709	3,735	a
15	Total Active Services	225,229	225,229	0	0.0%	225,229	225,205	224,981	
16									
17	Average Sales per Customer (ccf/connection/yr)								
18	Residential	147	147	0	0.0%	147	157	157	b
19	Business	861	861	0	0.0%	861	893	893	b
20									
21	Total Sales Per Customer Class (Kccf)								
22	Residential	29,234	29,234	0	0.0%	29,234	31,328	31,293	b
23	Business	17,451	17,451	0	0.0%	17,451	18,097	18,063	b
24	Industrial	203	203	0	0.0%	203	204	204	b
25	Public Authority	2,547	2,547	0	0.0%	2,547	2,777	2,777	b
26	Resale	322	322	0	0.0%	322	393	393	b
27	Other	90	90	0	0.0%	90	60	60	b
28	Total Potable Metered Sales	49,847	49,847	0	0.0%	49,847	52,859	52,790	
29									
30	Raw Water	14	14	0	0.0%	14	14	14	a
31	Recycled Water	870	870	0	0.0%	870	870	867	a
32	Total Sales	50,731	50,731	0	0.0%	50,731	53,743	53,671	
33									
34	Source of Supply (Kccf)								
35	Groundwater	20,645	20,645	0	0.0%	20,645	23,877	23,802	a
36	Purchased Water	30,747	30,747	0	0.0%	30,747	30,747	30,747	a
37	Surface Water	2,085	2,085	0	0.0%	2,085	2,085	2,085	N/A

DETAILED JOINT COMPARISON EXHIBIT
TABLE 8:
NON-REVENUE REQUIREMENT ISSUES

Line	Item	ORA Testimony	ORA Final	SIWC Final	SIWC Application	Current Status	ORA Reference	SIWC Reference
1	Rate Design	Maintain current rate	Maintain current rate	Maintain current rate	Maintain current rate	a	O-01,CH01,P19,§C4	SIJW-01,CH15
2	Revenue Decoupling	Maintain Monterey Style WRAM	Maintain Monterey Style WRAM	Full WRAM/MCBA	Full WRAM/MCBA	f	O-01,CH1,3	SIJW-01,CH19; SJW-10,CH02,P10
3	Balancing and Memorandum Accounts							
4	Balancing Account Disposition	Authorize recovery of \$3,872,936 balance via \$0.07327/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	e		SJW-01,CH17,P02,§E/F; SJW-10,CH02,P09
5	Memorandum Account Disposition	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	a	O-01,CH10	
6	Preliminary Statement Update			Update Preliminary Statement to reflect all balancing and memorandum accounts including Pension Expense Balancing Account. Maintain Research, Development and Demonstration Memorandum Account and Intervenor Compensation Memorandum Account	Update Preliminary Statement to reflect all balancing and memorandum accounts including Pension Expense Balancing Account. Maintain Research, Development and Demonstration Memorandum Account and Intervenor Compensation Memorandum Account	e	O-01,CH10,P11,§C3	SJW-10,CH02,P09
7	Health Care Cost Balancing Account	Do Not Allow Health Care Cost Balancing Account	Do Not Allow Health Care Cost Balancing Account	Authorize Health Care Cost Balancing Account	Authorize Health Care Cost Balancing Account	f	O-01,CH12,P02,§C1	SJW-01,CH05,P29,§C; SJW-10,CH04,P08
8	Establish Groundwater Regulation Legal Expense Memorandum Account	Authorize requested memorandum account	Authorize requested memorandum account	Establish Groundwater Regulation Legal Expense Memorandum Account	Establish Groundwater Regulation Legal Expense Memorandum Account	a	O-01,CH12,P09,§C2	SJW-01,CH17,P03,§G
9	Update Water Ratepayer (WRAP) funding surcharge	Authorize WRAP funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	a	O-01,CH12,P11,§C3	SJW-01,CH15,P04,§G
10	Implement Credit Card Payment Program	Authorize SIWC to implement Credit Card Payment Program	Authorize SIWC to implement Credit Card Payment Program	Authorize SIWC to implement Credit Card Payment Program	Authorize SIWC to implement Credit Card Payment Program	a	O-01,CH12,P12,§C4	SJW-01,CH17,P04,§K
11	Establish Tangible Property Regulation Tax Memorandum Account	Establish Memorandum Account	Establish Memorandum Account	Do not establish memorandum account	N/A	f	O-01,CH05,P03,§C3	SJW-10,CH05
12	Establish Enterprise Zone Sales and Use Credit Tax Memorandum Account	Establish Memorandum Account	Establish Memorandum Account	Do not establish memorandum account	N/A	f	O-01,CH05,P06,§C4	SJW-10,CH05

A.15-01-002

Detailed Joint Comparison Exhibit of
San Jose Water Company and Office of Ratepayer Advocates

(END OF ATTACHMENT B)

ATTACHMENT C

The August 13, 2015, Supplemental Settlement

APPENDIX A

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016; by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018.

Application 15-01-002
(Filed January 5, 2015)

SUPPLEMENTAL SETTLEMENT AGREEMENT BETWEEN THE OFFICE OF RATEPAYER ADVOCATES AND SAN JOSE WATER COMPANY REGARDING NTP&S-RELATED LABOR EXPENSE

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

In the Matter of the Application of SAN JOSE WATER COMPANY (U 168 W) for an Order authorizing it to increase rates charged for water service by \$34,928,000 or 12.22% in 2016; by \$9,954,000 or 3.11% in 2017, and by \$17,567,000 or 5.36% in 2018.

Application 15-01-002
(Filed January 5, 2015)

**SUPPLEMENTAL SETTLEMENT AGREEMENT
BETWEEN THE OFFICE OF RATEPAYER
ADVOCATES AND SAN JOSE WATER COMPANY
REGARDING NTP&S-RELATED LABOR EXPENSE**

I. GENERAL PROVISIONS

1. Pursuant to Article 12 of the Rules of Practice and Procedure (“Rules”) of the California Public Utilities Commission (“Commission”), the Office of Ratepayer Advocates (“ORA”) and San Jose Water Company (“SJWC”), referred to together as “the Settling Parties,” have agreed on the terms of this Supplemental Settlement Agreement, which they now submit for review, consideration, and approval by Administrative Law Judge S. Pat Tsen and the Commission. This Supplemental Settlement Agreement addresses a single issue – the appropriate ratemaking treatment of labor expense related to non-tariffed products and services (“NTP&S”).
2. The specific issue that the Settling Parties agree to resolve through this Supplemental Settlement Agreement is fully addressed in Section II below. Section II describes the positions of the Settling Parties and the resolution provided by the Supplemental Settlement Agreement.
3. Because this Supplemental Settlement Agreement represents a compromise of the Settling Parties’ positions with respect to the issue addressed herein, the Settling Parties have agreed upon the resolution of the issue addressed in the Supplemental Settlement Agreement on the basis that its approval by the Commission should not be construed as an admission or concession by either Party regarding any fact or matter of law that may have been in dispute in this proceeding. Furthermore, consistent with Rule 12.5 of the Commission’s Rules, the Settling Parties intend that the approval of this Supplemental Settlement Agreement by the Commission should not be construed as a precedent or statement of policy of any kind for or against any

Party in any current or future proceeding with respect to any issue addressed in the Supplemental Settlement Agreement.

4. The Settling Parties agree that this Supplemental Settlement Agreement is an integrated agreement, so that if the Commission rejects any portion of this Supplemental Settlement Agreement, each party has the right to withdraw. Furthermore, the Supplemental Settlement Agreement is being presented as an integrated package such that Settling Parties are agreeing to the Supplemental Settlement Agreement as a whole rather than agreeing to specific elements of such Agreement.
5. This Supplemental Settlement Agreement is the product of a process of direct negotiation between the Settling Parties. The only other party to this proceeding, a collection of six mutual water companies,¹ participated in the settlement process but is not a party to the Supplemental Settlement Agreement. Accordingly, the Supplemental Settlement Agreement is not presented as an all-party settlement.
6. The Settling Parties agree that no signatory to the Supplemental Settlement Agreement assumes any personal liability as a result of his or her execution of this document. All rights and remedies of the Settling Parties are limited to those available before the Commission.
7. This Supplemental Settlement Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts together shall constitute one and the same instrument.
8. This Supplemental Settlement Agreement constitutes and represents the entire agreement between the Settling Parties and supersedes all prior and contemporaneous agreements, negotiations, representations, warranties and understandings of the Settling Parties with respect to the subject matter set forth herein.

¹ The six mutual water companies are Big Redwood Park Mutual Water Company, Brush & Old Well Rd Mutual Water Co., Mountain Summit Mutual Water Co., Oakmont Mutual Water Co., Ridge Mutual Water Co., and Villa Del Monte Mutual Water Co.

**II. TOPIC RESOLVED BY SUPPLEMENTAL SETTLEMENT AGREEMENT:
LABOR EXPENSE RELATED TO NON-TARIFFED PRODUCTS AND
SERVICES**

In D.15-03-048 the CPUC granted limited rehearing of D.14-08-006 to determine whether labor costs associated with providing NTP&S were related to excess or unused capacity or whether this labor is needed for regulated operations. On August 13, 2015, Parties to that rehearing filed a Joint Supplemental Settlement Agreement that included the following dispositive paragraph:

"Although Parties agree that, as stated in D.15-03-048, 'only incremental costs associated with NTP&S are allocated to shareholders', ORA and SJWC have been unable to agree on the methodology to calculate the incremental labor related to NTP&S activities. For the purposes of this settlement parties agree that the annual amount of \$286,000 represents a reasonable estimate of the amount of incremental NTP&S labor that should be credited to Test Year 2013 Total Payroll expense forecasts. As this credit amount is consistent with ORA's original estimate, as originally adopted in D.14-08-006, no change to currently authorized revenue requirement is necessary. This settlement is not considered precedential and both SJWC and ORA maintain the right to recommend alternative estimating methodologies in future General Rate Cases."

Similar issues related to the classification of labor related to the provision of non-tariffed products and services are also contentious items in the present general rate case proceeding, A.15-01-002. Although Parties agree that, as stated in D.15-03-048, "only incremental costs associated with NTP&S are allocated to shareholders", ORA and SJWC have been unable to agree on an appropriate methodology to calculate the incremental labor related to NTP&S activities. For the purposes of this settlement, parties agree that the annual amount of \$442,400, which was ORA's proposed disallowance of NTP&S-related labor expense, represents a reasonable estimate of the amount of incremental NTP&S labor that should be credited to Test Year 2016 Total Payroll expense forecasts. This credit will result in reductions to many of the "SJWC Final" values as shown in Tables 1, 2, and 3 of the Detailed Joint Comparison Exhibit submitted as Exhibit COM-01 with the Settlement Agreement Between the Office of Ratepayer Advocates and San Jose Water Company on Issues Presented in General Rate Case Application (filed July 24, 2015). A Revised Exhibit COM-01 is included as an attachment to this Supplemental Settlement Agreement.

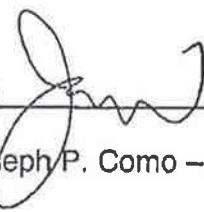
This settlement is not considered precedential and both SJWC and ORA maintain the right to recommend alternative estimating methodologies in future General Rate Cases.

III. CONCLUSION

The Parties mutually believe that, based on the terms and conditions stated above, this Supplemental Settlement Agreement is reasonable in light of the whole record, is consistent with the law, and is in the public interest.

OFFICE OF RATEPAYER
ADVOCATES

By:



Joseph P. Como – Acting Director

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
E-mail: joc@cpuc.ca.gov

Dated: August 11, 2015

SAN JOSE WATER COMPANY

By:



James P. Lynch – Chief Financial
Officer and Treasurer

110 West Taylor Street
San Jose, CA 95110
E-mail: james_lynch@sjwater.com

Dated: August 12, 2015

SAN JOSE WATER COMPANY
(U-168-W)

GENERAL RATE CASE
A.15-01-002

EXHIBIT COM-01 (REVISED)

JOINT COMPARISON EXHIBIT OF
SAN JOSE WATER COMPANY AND
THE OFFICE OF RATEPAYER ADVOCATES
IN GENERAL RATE CASE
APPLICATION 15-01-002

Exhibit COM-01 (Revised)

**JOINT COMPARISON EXHIBIT
OF SAN JOSE WATER COMPANY AND
THE OFFICE OF RATEPAYER ADVOCATES IN
GENERAL RATE CASE APPLICATION 15-01-002**

The San Jose Water Company (SJWC) and the Office of Ratepayer Advocates (ORA) have prepared this Joint Comparison Exhibit as a reference for comparing both Parties original positions as stated in testimony and current (final) positions based on the proposed settlement. The Exhibit includes comparisons of Parties positions on:

- **Table 1:** Test Year 2016 Summary of Earnings at Present and Proposed Rates
- **Table 2:** Test Year 2016 Operating Revenues at Present and Proposed Rates
- **Table 3:** Test Year 2016 Operating and Administrative Expenses
- **Table 4:** Test Year 2016 Taxes at Proposed Rates
- **Table 5A-5C:** Utility Plant in Service – Budget Years 2015-2017
- **Table 6:** Test Years 2016 and 2017 Ratebase
- **Table 7:** Test Year 2016 Customer Forecasts and Sales Estimates
- **Table 8:** Non-Revenue Requirement Issues

The column ORA Testimony reflects ORA's position as provided in Exhibit O-1: Report on the Results of Operations. The column ORA Final reflects ORA's position with the settlement items included. The column SJWC Application reflects the SJWC position as submitted in exhibits accompanying the initial A.15-01-002 filing on January 5, 2015. The column SJWC Update reflects the revised estimates as provided in the 45-Day Update filing on February 19, 2015. And the column SJWC Final reflects SJWC's position with all agreed upon and settled items between ORA and SJWC incorporated.

The column "Current Status" includes notes that designate the contested or resolved status of each line item. Notes are as follows:

- a. ORA accepted SJWC's position/estimate as stated in Exhibits SJWC -1 and/or SJWC-2.
- b. SJWC accepted ORA's position/estimate as stated in Exhibit O-01.
- c. Parties agree on positions/estimating methodology for the line item - differences are due to allocation of differing estimates of Total Labor Expense.
- d. Parties agree on positions/estimating methodology for the line item - differences are due to the effect of differing estimates of Total Revenue at Proposed Rates.
- e. Issue settled as specified in Joint Settlement Agreement.
- f. Issue remains contested and was addressed in evidentiary hearing.

The column "Reference" provides locations in the various Exhibits where Parties have presented arguments on the individual items/issues. The reference nomenclature is Exhibit, Chapter, Page, Section. For example "O-01, CH02, P02, §C2.a" refers to ORA Exhibit O-01, Chapter 2, page 2, Section C.2.a.

The Revised Exhibit COM-1 reflects the supplemental settlement's effect on the "SJWC Final" number for Total Labor Expense (Table 3, Line 44) and the dollar and % differences between SJWC and ORA on the same line, as well as smaller effects on those same columns for line items including allocated labor expense.

REVISED DETAILED JOINT COMPARISON EXHIBIT

TABLE 1:
TEST YEAR 2016 SUMMARY OF EARNINGS AT PRESENT AND PROPOSED RATES

Line	Item	ORA Testimony	ORA Final*	\$ SJWC > ORA	% SJWC > ORA	SJWC Final*	SJWC Update	SJWC Application
1	Summary of Earnings at Present Rates							
2	Operating Revenue	\$274,948	\$292,146	\$0	0.0%	\$292,145	\$286,513	\$286,146
3								
4	Operating & Maintenance Expense	\$141,830	\$159,283	\$5,748	3.6%	\$165,031	\$159,183	\$158,588
5	Administrative & General Expense	\$26,479	\$26,476	\$2,621	9.9%	\$29,097	\$29,278	\$29,282
6	Taxes Other Than Income	\$10,713	\$10,757	\$1,188	11.0%	\$11,945	\$11,974	\$11,854
7	Depreciation & Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571
8	Income Taxes	\$14,695	\$14,455	(\$3,908)	-27.0%	\$10,547	\$10,475	\$12,236
9	Total Operating Expenses	\$235,703	\$252,957	\$5,649	2.2%	\$258,606	\$252,896	\$253,531
10								
11	Net Operating Revenue	\$39,245	\$39,189	(\$5,650)	-14.4%	\$33,539	\$33,616	\$32,615
12								
13	Depreciated Rate Base	\$656,558	\$657,921	\$1,040	0.2%	\$658,961	\$664,755	\$658,370
14	Rate of Return	5.98%	5.96%	-1%	-14.6%	5.09%	5.06%	4.95%
15								
16	Summary of Earnings at Proposed Rates							
17	Operating Revenue	\$298,416	\$315,885	\$9,672	3.1%	\$325,557	\$320,544	\$321,073
18								
19	Operating & Maintenance Expense	\$141,830	\$159,283	\$5,748	3.6%	\$165,031	\$159,183	\$158,388
20	Administrative & General Expense	\$26,479	\$26,476	\$2,621	9.9%	\$29,097	\$29,278	\$29,282
21	Taxes Other Than Income	\$10,769	\$10,814	\$1,211	11.2%	\$12,025	\$12,056	\$11,936
22	Depreciation & Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571
23	Income Taxes	\$24,220	\$24,090	\$18	0.1%	\$24,107	\$24,288	\$26,434
24	Total Operating Expenses	\$245,284	\$262,649	\$9,598	3.7%	\$272,247	\$266,790	\$267,311
25								
26	Net Operating Revenue	\$53,132	\$53,237	\$74	0.1%	\$53,311	\$53,754	\$53,262
27								
28	Depreciated Rate Base	\$656,558	\$657,921	\$1,040	0.2%	\$658,961	\$664,755	\$658,370
29	Rate of Return	8.09%	8.09%	0%	0.0%	8.09%	8.09%	8.09%

*"Final" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

REVISED DETAILED JOINT COMPARISON EXHIBIT

TABLE 2:
TEST YEAR 2016 OPERATING REVENUES AT PRESENT AND PROPOSED RATES

Line	Item	ORA Testimony	Final*	\$ SJWC > ORA	% SJWC > ORA	SJWC Final*	SJWC Update	SJWC Application
1 Oper. Revenues at Present Rates								
2 Residential		\$168,740	\$178,826	\$0	0.0%	\$178,826	\$176,816	\$176,618
3 Business		\$84,572	\$90,593	\$0	0.0%	\$90,593	\$87,064	\$86,903
4 Industrial Revenue		\$980	\$1,050	\$0	0.0%	\$1,050	\$984	\$984
5 Public Authorities		\$12,166	\$13,045	\$0	0.0%	\$13,045	\$13,053	\$13,073
6 Resale		\$1,286	\$1,397	\$0	0.0%	\$1,397	\$1,559	\$1,559
7 Other		\$818	\$849	\$0	0.0%	\$849	\$651	\$651
8 Raw Water		\$53	\$53	\$0	0.0%	\$53	\$53	\$53
9 Recycled Water		\$2,477	\$2,477	\$0	0.0%	\$2,477	\$2,477	\$2,470
10								
11 Private Fire Service		\$3,164	\$3,164	\$0	0.0%	\$3,164	\$3,164	\$3,184
12								
13 Subtotal		\$274,256	\$291,454	\$0	0.0%	\$291,454	\$285,821	\$285,495
14								
15 Misc. & Deferred Revenue		\$692	\$692	(\$1)	-0.1%	\$691	\$692	\$652
16								
17 Total Revenues at Present Rates		\$274,948	\$292,146	(\$1)	0.0%	\$292,145	\$286,513	\$286,146
18								
19 Oper. Revenues at Proposed Rates								
20 Residential		\$183,537	\$193,693	\$6,192	3.2%	\$199,885	\$198,901	\$199,138
21 Business		\$91,403	\$97,454	\$2,796	2.9%	\$100,250	\$96,501	\$96,700
22 Industrial Revenue		\$1,059	\$1,129	\$33	2.9%	\$1,162	\$1,091	\$1,095
23 Public Authorities		\$13,141	\$14,024	\$398	2.8%	\$14,422	\$14,434	\$14,518
24 Resale		\$1,378	\$1,490	\$36	2.4%	\$1,526	\$1,691	\$1,702
25 Other		\$900	\$931	\$36	3.9%	\$967	\$762	\$760
26 Raw Water		\$62	\$67	\$2	2.5%	\$69	\$63	\$64
27 Recycled Water		\$2,810	\$2,984	\$75	2.5%	\$3,059	\$2,869	\$2,872
28								
29 Private Fire Service		\$3,434	\$3,421	\$105	3.1%	\$3,526	\$3,540	\$3,573
30								
31 Subtotal		\$297,724	\$315,193	\$9,672	3.1%	\$324,866	\$319,852	\$320,422
32								
33 Misc. & Deferred Revenue		\$692	\$692	(\$1)	-0.1%	\$691	\$692	\$652
34								
35 Total Revenues at Proposed Rates		\$298,416	\$315,885	\$9,672	3.1%	\$325,557	\$320,544	\$321,073

*"Final" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

REVISED DETAILED JOINT COMPARISON EXHIBIT
TABLE 3:
TEST YEAR 2016 OPERATING AND ADMINISTRATIVE EXPENSES

Line	Item	ORA Testimony	\$ SJWC Final* > ORA	% SJWC > ORA	SJWC Final*	SJWC Update	SJWC Application	Current Status	ORA Reference	SJWC Reference	
1	Operating & Maintenance Expenses										
2	Purchased Water/Potable	\$59,787	\$70,163	\$0	0.0%	\$70,163	\$59,787	a	O-01,CH02,P02,§C2.a	SJW-01,CH03,P02,§D	
3	Purchased Water/Recycled	\$1,262	\$1,262	\$0	0.0%	\$1,262	\$1,262	a	O-01,CH02,P04,§C2.b	SJW-01,CH03,P02,§D	
4	Other Source of Supply	\$1,064	\$1,066	\$120	11.3%	\$1,186	\$1,232	\$1,250	c	O-01,CH02,P05,§C2.c	SJW-01,CH03,P01,§B
5	Purchased Power	\$8,915	\$8,915	\$0	0.0%	\$8,915	\$9,454	\$9,230	a	O-01,CH02,P06,§C2.d	SJW-01,CH03,P01,§B
6	Pump / Taxes	\$35,406	\$42,373	\$0	0.0%	\$42,373	\$40,947	\$40,819	a	O-01,CH02,P06,§C2.e	SJW-01,CH03,P02,§D
7	Other Pumping Expenses	\$33,318	\$33,326	\$448	13.5%	\$37,774	\$39,914	\$31,568	c	O-01,CH02,P07,§C2.f	SJW-01,CH03,P01,§B
8	Chemical & Filtering Material	\$459	\$50	\$0	0.0%	\$459	\$459	\$460	a	O-01,CH02,P07,§C2.g	SJW-01,CH03,P01,§B
9	Other Water Treatment	\$2,921	\$2,921	\$415	14.2%	\$3,336	\$3,376	\$3,438	c	O-01,CH02,P08,§C2.h	SJW-01,CH03,P01,§B
10	Transmission & Distribution	\$33,656	\$33,658	\$652	17.8%	\$4,310	\$4,386	\$4,398	c	O-01,CH02,P09,§C2.i	SJW-01,CH03,P01,§B
11	Customer Accounts - Uncollectibles	\$4,552	\$4,478	\$15	3.1%	\$493	\$485	\$499	d	O-01,CH02,P10,§C2.j.i	SJW-01,CH03,P01,§B
12	Customer Accounts - Labor	\$4,189	\$4,189	\$904	21.6%	\$5,093	\$5,150	\$5,486	c	O-01,CH02,P10,§C2.j.ii	SJW-01,CH03,P01,§B
13	Customer Accounts - Transportation	\$95	\$95	\$6	6.3%	\$101	\$103	\$84	c	O-01,CH02,P10,§C2.j.iii	SJW-01,CH03,P01,§B
14	Customer Accounts - Postage	\$2,223	\$2,223	\$0	0.0%	\$523	\$533	\$529	a	O-01,CH02,P11,§C2.j.iv	SJW-01,CH03,P01,§B
15	Customer Accounts - Purchased Services	\$2,261	\$2,281	\$0	0.0%	\$2,281	\$2,586	\$3,241	c	O-01,CH02,P11,§C2.j.v	SJW-01,CH03,P01,§B
16	Conservation - Base Program	\$1,129	\$1,129	\$0	0.0%	\$129	\$132	\$138	a	O-01,CH02,P11,§C2.j.vi.1	SJW-01,CH18,P05,§D
17	Conservation - WRAM Related	\$0	\$1,536	\$1,536	100.0%	\$1,536	\$1,536	\$1,536	f	O-01,CH02,P12,§C2.j.vi.2	SJW-01,CH18,P14,§E, SJW-01,CH06
18	Conservation - Recycled Retrosfits	\$2,375	\$2,375	\$0	0.0%	\$2,375	\$6,146	\$6,146	b	O-01,CH02,P15,§C2.j.vii.3	SJW-01,CH20
19	Customer Accounts - Other	\$169	\$169	\$0	0.0%	\$169	\$172	\$32	a	O-01,CH02,P17,§C2.j.vii	SJW-01,CH08,P01,§B
20	Non-Tariffed Service Adjustment	\$760	\$760	\$0	0.0%	(\$760)	(\$649)	(\$649)	b	O-01,CH02,P17,§C2.j.vii	SJW-01,CH08,P05,§D
21	Maintenance Source of Supply	\$180	\$182	\$5	2.7%	\$187	\$208	\$208	c	O-01,CH02,P18,§C3.a	SJW-01,CH08,P01,§B
22	Maintenance Pumping	\$1,248	\$1,254	\$120	9.6%	\$1,374	\$1,476	\$1,563	c	O-01,CH02,P18,§C3.b	SJW-01,CH08,P01,§B
23	Maintenance Water Treatment Plant	\$659	\$659	\$10	1.5%	\$669	\$672	\$701	c	O-01,CH02,P18,§C3.c	SJW-01,CH08,P01,§B
24	Maintenance Transmission & Distribution	\$13,530	\$13,574	\$1,517	11.2%	\$15,091	\$15,848	\$14,922	c	O-01,CH02,P19,§C3.d	SJW-01,CH08,P01,§B
25	Maintenance Expense Adjustments	(\$8)	(\$8)	\$0	0.0%	(\$8)	(\$8)	(\$8)	a	O-01,CH02,P20,§C3.e	SJW-01,CH08,P01,§B
26	Subtotal O&M Expenses	\$141,830	\$159,283	\$5,748	3.6%	\$165,031	\$159,183	\$158,588			
27											
28	Administrative & General (A&G) Expenses										
29	A&G Salaries	\$7,623	\$7,623	\$1,644	21.6%	\$9,267	\$9,372	\$9,283	c	O-01,CH02,P02,§C4.a	SJW-01,CH09
30	A&G Office Supplies	\$1,995	\$1,995	\$11	0.5%	\$2,005	\$2,042	\$2,038	c	O-01,CH02,P20,§C4.b	SJW-01,CH09
31	A&G Property Insurance	\$233	\$234	\$0	0.0%	\$234	\$234	\$225	a	O-01,CH02,P24,§C4.c	SJW-01,CH09
32	A&G Injuries & Damages Insurance	\$2,095	\$2,092	\$212	10.5%	\$2,234	\$2,258	\$2,326	d	O-01,CH02,P25,§C4.d	SJW-01,CH09
33	A&G Pensions, Benefits, & PBOP	\$16,134	\$16,134	\$488	3.0%	\$16,621	\$16,698	\$16,837	c	O-01,CH02,P26,§C4.e	SJW-01,CH09
34	A&G Regulatory Commission	\$186	\$186	\$156	84.2%	\$342	\$341	\$341	f	O-01,CH02,P28,§C4.f	SJW-01,CH09-SJW-10,CH02,P03
35	A&G Outside Services	\$3,112	\$3,112	\$0	0.0%	\$3,112	\$3,161	\$3,267	a	O-01,CH02,P29,§C4.g	SJW-01,CH09
36	A&G Dues & Memberships	\$427	\$427	\$0	0.0%	\$427	\$467	\$496	b	O-01,CH02,P30,§C4.h	SJW-01,CH09
37	A&G Corporate Expenses	\$790	\$790	\$101	12.8%	\$891	\$908	\$819	f	O-01,CH02,P30,§C4.i	SJW-01,CH09-SJW-10,CH02,P05
38	A&G Rents	\$498	\$498	\$0	0.0%	\$498	\$508	\$508	a	O-01,CH02,P31,§C4.j	SJW-01,CH09
39	A&G Maintenance	\$918	\$918	\$9	1.0%	\$927	\$944	\$938	c	N/A	SJW-01,CH09
40	A&G Transferred Expenses	(\$7,462)	(\$7,462)	\$0	0.0%	(\$7,462)	(\$7,654)	(\$7,937)	a	N/A	SJW-01,CH09
41	Subtotal A&G Expenses	\$26,479	\$26,476	\$2,621	9.9%	\$29,097	\$29,278	\$29,282			
42											
43	Allocated Expenses										
44	Total Labor Expense	\$24,565	\$34,565	\$7,457	21.6%	\$42,022	\$42,496	\$42,504	f	O-01,CH03	SJW-01,CH05; SJW-10,CH04,P02; SJW-10,CH02,P05
45	Transportation Expense	\$3,607	\$3,607	\$245	6.8%	\$3,852	\$3,896	\$3,762	c	O-01,CH02,P31,§C5.b	SJW-01,CH08,P01,§B
46	Purchased Services	\$10,507	\$10,591	\$0	0.0%	\$10,591	\$11,830	\$11,975	e	O-01,CH02,P33,§C5.c	SJW-01,CH08,P01,§B; SJW-10,CH01

*"Final" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015.

REVISED DETAILED JOINT COMPARISON EXHIBIT
 TABLE 4:
 TEST YEAR 2016 TAXES AT PROPOSED RATES

Line	Item	ORA Testimony	ORA Final*	\$ SJWC > ORA	% SJWC > ORA	SJWC Final*	SJWC Update	SJWC Current	ORA Status	ORA Reference	SJWC Reference
1	TAXES										
2	Taxes Other Than Income										
3	Ad Valorem Taxes	\$8,138	\$8,141	\$0	0.0%	\$8,141	\$8,151	\$7,986	a	O-01,CH06,P01,SC1	SJW-01,CH10,P01,\$B
4	Business License Fees	\$33	\$33	\$0	0.0%	\$33	\$33	\$33	a	O-01,CH06,P03,SC3	SJW-01,CH10,P01,\$B
5	Payroll Taxes	\$1,885	\$1,885	\$1,188	63.0%	\$3,072	\$3,106	\$3,166	f	O-01,CH06,P02,SC2	SJW-01,CH10,P01,\$B;
6	Franchise Fees	\$714	\$755	\$23	3.1%	\$779	\$767	\$751	d	O-01,CH06,P04,SC4	SJW-01,CH10,P01,\$B
7	Subtotal Taxes Other Than Income	\$10,769	\$10,814	\$1,211	11.2%	\$12,025	\$12,056	\$11,936			
8											
9	Depreciation and Amortization	\$41,986	\$41,986	\$0	0.0%	\$41,986	\$41,986	\$41,571	a	O-01,CH07,P03,SC2	SJW-01,CH12
10											
11	Income Taxes										
12	Total Deductions	\$199,933	\$217,498	\$9,629	4.4%	\$227,127	\$221,671	\$220,268			
13											
14	CCFT Depreciation for Taxes	(\$39,781)	(\$40,114)	\$0	0.0%	(\$40,114)	(\$40,114)	(\$43,346)	a		
15	Tax Deduction on Repairs & Maintenance (Net of Tax)	(\$22,613)	(\$22,613)	\$0	0.0%	(\$22,613)	(\$22,613)	\$0	a		
16	Deferred Revenue (Net of Tax)	\$43	\$43	\$0	0.0%	\$43	\$43	\$39	a		
17	Taxable Income Incl Def Revenue	\$35,644	\$35,216	\$43	0.1%	\$35,259	\$35,702	\$57,050			
18	California State Tax (@ 8.84%)	\$3,151	\$3,113	\$4	0.1%	\$3,117	\$3,156	\$5,043			
19											
20	FIT Depreciation for Taxes	(\$33,318)	(\$33,524)	\$0	0.0%	(\$33,524)	(\$33,524)	(\$32,868)	a		
21	CCFT Deduction	(\$3,151)	(\$3,113)	(\$4)	0.1%	(\$3,117)	(\$3,156)	(\$5,043)			
22	Domestic Production Activities Deduction	(\$1,338)	(\$1,338)	\$0	0.0%	(\$1,338)	(\$1,338)	(\$1,338)	a		
23	Taxable Income	\$60,188	\$59,925	\$39	0.1%	\$59,964	\$60,367	\$61,108			
24	Federal Income Tax @ 35%	\$21,066	\$20,974	\$14	0.1%	\$20,987	\$21,129	\$21,388			
25	Tax on CAC and Advances	\$3	\$3	\$0	0.0%	\$3	\$3	\$3	a		
26	Subtotal Income Taxes	\$24,220	\$24,090	\$18	0.1%	\$24,107	\$24,288	\$26,434			

*"Final" positions for SJWC and ORA include increased purchased water and groundwater extraction unit costs as authorized by the CPUC via Advice Letter 474 effective July 1, 2015

REVISED DETAILED JOINT COMPARISON EXHIBIT
 TABLE 5A:
 UTILITY PLANT IN SERVICE - BUDGET YEAR 2015

Line	Item	ORA Final	Testimony > ORA	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	SIWC Current	ORA Status	ORA Reference	SJWC Reference
1	UTILITY PLANT										
2	2015 Plant - CONTESTED ¹										
3	SJW013088 - Reservoirs & Tanks (Cox Sta. Basin #2)	\$283	\$283	\$0	0.0%	\$283	\$306	\$306	e	O-01,CH04,P13,§C4.c	SJW-03,P114; SJW-10,CH03,P02
4	SJW013091 - Reservoirs & Tanks (Almaden Valley Sta. Reservoir)	\$170	\$170	\$0	0.0%	\$170	\$184	\$184	e	O-01,CH04,P12,§C4.a	SJW-03,P122; SJW-10,CH03,P02
5	SJW012309 - Pumps (Franciscan Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$149	\$149	e	O-01,CH04,P18,§C5.a	SJW-03,P137
6	SJW010163 - Pumps (Submersible Equip.)	\$534	\$623	\$0	0.0%	\$623	\$683	\$683	e	O-01,CH04,P26,§C5.i	SJW-03,P34; SJW-10,CH03,P03
7	SJW010457 - Pumps (Line Sharft Equip.)	\$596	\$623	\$0	0.0%	\$623	\$683	\$683	e	O-01,CH04,P24,§C5.h	SJW-03,P31; SJW-10,CH03,P03
8	SJW012332 - Distribution (City, County, State)	\$329	\$369	\$0	0.0%	\$369	\$408	\$408	e	O-01,CH04,P32,§C6.c	SJW-02,WP11-7; SJW-10,CH03,P04
9	SJW012826 - Distribution (Pressure Monitors)	\$0	\$0	\$0	0.0%	\$0	\$354	\$354	e	O-01,CH04,P38,§C6.e.ii	SJW-03,P48
10	SJW10304 - Distribution (Services >2")	\$0	\$0	\$0	0.0%	\$0	\$20	\$20	e	O-01,CH04,P39,§C6.f	SJW-02,WP11-7
11	SJW012608 - Distribution (Meter Replacement)	\$1,072	\$1,114	\$0	0.0%	\$1,114	\$1,114	\$1,114	e	O-01,CH04,P42,§C6.g	SJW-03,P45; SJW-10,CH03,P05
12	SJW10225 - Distribution (Hydrants in San Jose)	\$202	\$202	\$0	0.0%	\$202	\$204	\$204	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-7
13	SJW10273 - Distribution (Hydrants outside San Jose)	\$101	\$101	\$0	0.0%	\$101	\$102	\$102	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-7
14	SJW12811 - Equipment (Automated Metering Infrastructure)	\$0	\$125	\$0	0.0%	\$125	\$510	\$510	e	O-01,CH04,P47,§C7.a	SJW-03,P64; SJW-10,CH01
15	2015 New Plant - CONTESTED Subtotal	\$3,286	\$3,610	\$0	0.0%	\$3,610	\$4,718	\$4,718			
16	2015 New Plant - UNCONTESTED	\$100,871	\$100,871	\$0	0.0%	\$100,871	\$100,871	\$100,871			
17	2015 Total UPIIS	\$104,158	\$104,481	\$0	0.0%	\$104,481	\$105,590	\$105,590			

¹Numbers provided are project index numbers²Parties agreed to Advice Letter (Tier II) treatment

REVISED DETAILED JOINT COMPARISON EXHIBIT
TABLE SB:
UTILITY PLANT IN SERVICE - BUDGET YEAR 2016

Line	Item	ORA Final	Testimony	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	SIWC	Current Application	ORA Status	ORA Reference	SJWC Reference
1	2016 Plant - CONTESTED ¹											
2	SJW012383 - Reservoirs & Tanks (Almaden Valley Sta. Reservoir)	\$6,231	\$6,231	\$0	0.0%	\$6,231	\$6,743	\$6,743	e	O-01,CH04,P12,§C4.a	SJW-03,P122; SJW-10,CH03,P02	
3	SJW012861 - Reservoirs & Tanks (Cox Sta. Basin #2)	\$3,909	\$3,909	\$0	0.0%	\$3,909	\$4,231	\$4,231	e	O-01,CH04,P13,§C4.c	SJW-03,P114; SJW-10,CH03,P02	
4	SJW013080 - Reservoirs & Tanks (Belzafos Sta. Basin #1)	\$224	\$224	\$0	0.0%	\$224	\$242	\$242	e	O-01,CH04,P12,§C4.b	SJW-03,P209; SJW-10,CH03,P02	
5	SJW012310 - Pumps (Franciscan Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$1,382	\$1,382	e	O-01,CH04,P18,§C5.a	SJW-03,P137	
6	SJW012311 - Pumps (Harwood Ct. Sta.)	\$877	\$877	\$0	0.0%	\$877	\$1,104	\$1,104	e	O-01,CH04,P22,§C5.e	SJW-03,P224	
7	SJW012347 - Pumps (Miguelito Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$207	\$207	e	O-01,CH04,P21,§C5.d	SJW-03,P239	
8	SJW010452 - Pumps (Submersible Equip.)	\$550	\$642	\$0	0.0%	\$642	\$704	\$704	e	O-01,CH04,P26,§C5.i	SJW-03,P34; SJW-10,CH03,P03	
9	SJW010465 - Pumps (Line Sharft Equip.)	\$635	\$642	\$0	0.0%	\$642	\$704	\$704	e	O-01,CH04,P24,§C5.h	SJW-03,P31; SJW-10,CH03,P03	
10	SJW012933 - Distribution (Recycled Align. A)	\$4,011	\$4,011	\$0	0.0%	\$4,011	\$4,164	\$4,164	e	O-01,CH04,P264; SJW-10,CH07,P03	SJW-03,P264; SJW-10,CH07,P03	
11	SJW012934 - Distribution (Recycled Align. R)	\$1,494	\$1,494	\$0	0.0%	\$1,494	\$1,522	\$1,522	e	O-01,CH04,P31,§C6.a.ii	SJW-03,P285; SJW-10,CH07,P03	
12	SJW10278 - Distribution (City, County, State)	\$339	\$380	\$0	0.0%	\$380	\$420	\$420	e	O-01,CH04,P32,§C6.c	SJW-02,WP11-8; SJW-10,CH03,P04	
13	SJW10191 - Distribution (Services >2")	\$0	\$0	\$0	0.0%	\$0	\$21	\$21	e	O-01,CH04,P39,§C6.f	SJW-02,WP11-8	
14	SJW10192 - Distribution (Hydrants in San Jose)	\$104	\$104	\$0	0.0%	\$104	\$105	\$105	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-8	
15	SJW10280 - Distribution (Hydrants outside San Jose)	\$208	\$208	\$0	0.0%	\$208	\$210	\$210	e	O-01,CH04,P45,§C6.h	SJW-02,WP11-8	
16	SJW12812 - Equipment (Automated Metering Infrastructure)	\$0	\$0	\$0	0.0%	\$0	\$5,799	\$5,799	e	O-01,CH04,P47,§C7.a	SJW-03,P64; SJW-10,CH01	
17	SJW012627 - Non-Specifics (Fleet Vehicles)	\$2,068	\$2,169	\$0	0.0%	\$2,169	\$2,270	\$2,270	e	O-01,CH04,P52,§C8.a	SJW-03,P37; SJW-10,CH03,P06	
18	2016 New Plant - CONTESTED Subtotal	\$20,650	\$20,891	\$0	0.0%	\$20,891	\$29,828	\$29,828				
19	2016 New Plant - UNCONTESTED	\$84,099	\$84,099	\$0	0.0%	\$84,099	\$84,099	\$84,099				
20	2016 Total UPIIS	\$104,749	\$104,989	\$0	0.0%	\$104,989	\$113,927	\$113,927				

¹Numbers provided are project index numbers

²Parties agreed to Advice Letter (Tier II) treatment

REVISED DETAILED JOINT COMPARISON EXHIBIT
 TABLE 5C.
 UTILITY PLANT IN SERVICE - BUDGET YEAR 2017

Line	Item	ORA Final	ORA > ORA	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	SJWC Current	ORA Status	ORA Reference	SJWC Reference
1											
2	2017 New Plant - CONTESTED ¹										
3	SJW012440 - Source of Supply: Well Site Purchase	\$0	\$0	\$0	0.0%	\$0	\$6,529	\$6,529	e	O-01,CH04,P06,§C2	SJW-03,P24; SJW-10,CH07,P01
4	SJW012862 - Reservoirs & Tanks (Belgatos Sta. Basin #1)	\$7,916	\$7,916	\$0	0.0%	\$7,916	\$8,541	\$8,541	e	O-01,CH04,P12,§C4,b	SJW-03,P209; SJW-10,CH03,P02
5	SJW012348 - Pumps (Miguelito Sta.) ²	\$0	\$0	\$0	0.0%	\$0	\$1,932	\$1,932	e	O-01,CH04,P21,§C5,d	SJW-03,P239
6	SJW10211 - Pumps (Line Shaft Equip.)	\$635	\$665	\$0	0.0%	\$665	\$729	\$729	e	O-01,CH04,P24,§C5,h	SJW-03,P31; SJW-10,CH03,P03
7	SJW010468 - Pumps (Submersible Equip.)	\$569	\$665	\$0	0.0%	\$665	\$729	\$729	e	O-01,CH04,P26,§C5,i	SJW-03,P34; SJW-10,CH03,P03
8	SJW012935 - Distribution (Recycled Align. D)	\$10,982	\$10,982	\$0	0.0%	\$10,982	\$11,339	\$11,339	e	O-01,CH04,P31,§C6,a,iii	SJW-03,P264; SJW-10,CH07,P03
9	SJW10283 - Distribution (City, County, State)	\$351	\$393	\$0	0.0%	\$393	\$435	\$435	e	O-01,CH04,P32,§C6,c	SJW-02,WP11-9; SJW-10,CH03,P04
10	SJW10210 - Distribution (Services >2")	\$0	\$0	\$0	0.0%	\$0	\$22	\$22	e	O-01,CH04,P39,§C6,f	SJW-02,WP11-9
11	SJW012482 - Distribution (Hydrants in San Jose)	\$215	\$215	\$0	0.0%	\$215	\$218	\$218	e	O-01,CH04,P45,§C6,h	SJW-02,WP11-9
12	SJW012483 - Distribution (Hydrants outside San Jose)	\$108	\$108	\$0	0.0%	\$108	\$109	\$109	e	O-01,CH04,P45,§C6,h	SJW-02,WP11-9
13	SJW012813 - Equipment (Automated Metering Infrastructure)	\$0	\$0	\$0	0.0%	\$0	\$2,401	\$2,401	e	O-01,CH04,P47,§C7,a	SJW-03,P64; SJW-10,CH01
14	SJW012628 - Non-Specifics (Fleet Vehicles)	\$1,740	\$1,889	\$0	0.0%	\$1,889	\$2,038	\$2,038	e	O-01,CH04,P52,§C8,a	SJW-03,P37; SJW-10,CH03,P06
15	2017 New Plant - CONTESTED Subtotal	\$22,516	\$22,831	\$0	0.0%	\$22,831	\$35,019	\$35,019			
16	2017 New Plant - UNCONTESTED	\$81,005	\$81,005	\$0	0.0%	\$81,005	\$81,005	\$81,005			
17	2017 Total UPIS	\$103,521	\$103,837	\$0	0.0%	\$103,837	\$116,024	\$116,024			

¹Numbers provided are project index numbers²Parties agreed to Advice Letter (Tier II) treatment

REVISED DETAILED JOINT COMPARISON EXHIBIT
 TABLE 6:
 TEST YEARS 2016 AND 2017 RATEBASE

Line	Item	ORA Testimony	ORA Final	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	SJWC Application	Current Status	ORA Reference	SJWC Reference
1 2016 RATEBASE											
2	Utility Plant	\$1,441,242 (\$184,092)	\$1,441,692 \$0		0.0%	\$1,441,692 (\$184,092)	\$1,447,407 (\$184,092)	\$1,432,326 (\$177,901)	e	O-01,CH04	O-01,CH04,§C3
3	Adjustments to Plant	\$17,363 (\$149,477)	\$18,282 (\$149,484)	\$1,040 \$0	0.0% 0.0%	\$19,322 (\$149,484)	\$19,402 (\$149,484)	\$19,009 (\$143,062)	d	O-01,CH07,P01,§C1	O-01,CH07,P01,§C1
4	Working Capital								a	O-01,CH07,P07	O-01,CH07,P07
5	Tax Deferrals								a	O-01,CH07,P05,§C4	O-01,CH07,P05,§C4
6	Rate Base, Taxed Contributions	\$4,826	\$4,826	\$0	0.0%	\$4,826	\$4,826	\$4,622	a	O-01,CH07,P05,§C4	O-01,CH07,P05,§C4
7	Rate Base, Taxed Advances	\$2,800	\$2,800	\$0	0.0%	\$2,800	\$2,800	\$2,700	a	O-01,CH07,P05,§C4	O-01,CH07,P05,§C4
8	Depreciation Reserve	\$476,104	\$476,104	\$0	0.0%	\$476,104	\$476,104	\$479,324	a	O-01,CH07,P03,§C2	O-01,CH07,P03,§C2
9	2016 Weighted Avg Ratebase	\$656,559	\$657,921	\$1,040	0.2%	\$658,961	\$664,755	\$658,370			
10											
11 2017 RATEBASE											
12	Utility Plant	\$1,544,345 (\$184,668)	\$1,545,077 \$0		0.0% 0.0%	\$1,545,077 (\$184,668)	\$1,561,491 (\$184,668)	\$1,546,415 (\$177,388)	e	O-01,CH04	O-01,CH04,§C3
13	Adjustments to Plant								a	O-01,CH07,P04,§C3	O-01,CH07,P04,§C3
14	Working Capital	\$18,217	\$19,121	\$1,084	5.7%	\$20,205	\$19,572	\$19,242	d	O-01,CH07,P01,§C1	O-01,CH07,P01,§C1
15	Tax Deferrals	(\$155,076)	(\$155,104)	\$0	0.0%	(\$155,104)	(\$155,104)	(\$148,244)	a	O-01,CH07	O-01,CH07
16	Rate Base, Taxed Contributions	\$4,855	\$4,855	\$0	0.0%	\$4,855	\$4,855	\$4,616	a	O-01,CH07,P05,§C4	O-01,CH07,P05,§C4
17	Rate Base, Taxed Advances	\$2,699	\$2,699	\$0	0.0%	\$2,699	\$2,699	\$2,601	a	O-01,CH07,P05,§C4	O-01,CH07,P05,§C4
18	Depreciation Reserve	\$517,898	\$517,898	\$0	0.0%	\$517,898	\$518,136	\$521,468	a	O-01,CH07,P03,§C2	O-01,CH07,P03,§C2
19	2017 Weighted Avg Ratebase	\$712,476	\$714,083	\$1,084	0.2%	\$715,167	\$730,710	\$725,775			

REVISED DETAILED JOINT COMPARISON EXHIBIT

TABLE 7.

TEST YEAR 2016 CUSTOMER FORECASTS AND SALES ESTIMATES

Line	Item	ORA Testimony	ORA Final	\$ SJWC > ORA	% SJWC > ORA	SJWC Final	SJWC Update	Current Status	ORA Reference	SJWC Reference
1	Metered Services									
2	Residential	199,416	199,416	0	0.0%	199,416	199,416	199,191	a	
3	Business	20,332	20,332	0	0.0%	20,332	20,332	20,293	a	
4	Industrial	53	53	0	0.0%	53	53	53	a	
5	Public Authority	1,293	1,293	0	0.0%	1,293	1,293	1,307	a	
6	Resale	32	32	0	0.0%	32	32	32	a	
7	Other	212	212	0	0.0%	212	188	188	b	
8	Total Potable Metered Services	221,338	221,338	0	0.0%	221,338	221,314	221,064	O-01,CH01,P03,§C1	SJW-01,CH07,P01,§B
9										
10	Raw Water	4	4	0	0.0%	4	4	4	a	
11	Recycled Water	178	178	0	0.0%	178	178	178	a	
12	Total Non-Potable Metered Services	221,520	221,520	0	0.0%	221,520	221,496	221,246		
13										
14	Private Fire Service	3,709	3,709	0	0.0%	3,709	3,709	3,735	a	
15	Total Active Services	225,229	225,229	0	0.0%	225,229	225,205	224,981		
16										
17	Average Sales per Customer (ccf/connection/yr)									
18	Residential	147	147	0	0.0%	147	157	157	b	
19	Business	861	861	0	0.0%	861	893	893	b	
20										
21	Total Sales Per Customer Class (Kccf)	29,234	29,234	0	0.0%	29,234	31,328	31,293	b	
22	Residential	17,451	17,451	0	0.0%	17,451	18,097	18,063	b	
23	Business	203	203	0	0.0%	203	204	204	b	
24	Industrial	2,547	2,547	0	0.0%	2,547	2,777	2,777	b	
25	Public Authority	322	322	0	0.0%	322	393	393	b	
26	Resale	90	90	0	0.0%	90	60	60	b	
27	Other	49,847	49,847	0	0.0%	49,847	52,859	52,790		
28	Total Potable Metered Sales									
29										
30	Raw Water	14	14	0	0.0%	14	14	14	a	
31	Recycled Water	870	870	0	0.0%	870	870	867	a	
32	Total Sales	50,731	50,731	0	0.0%	50,731	53,743	53,671		
33										
34	Source of Supply (Kccf)									
35	Groundwater	20,645	20,645	0	0.0%	20,645	23,877	23,802	a	
36	Purchased Water	30,747	30,747	0	0.0%	30,747	30,747	30,747	a	
37	Surface Water	2,085	2,085	0	0.0%	2,085	2,085	2,085	a	

REVISED DETAILED JOINT COMPARISON EXHIBIT
TABLE 8:
NON-REVENUE REQUIREMENT ISSUES

Line	Item	ORA Testimony	ORA Final	SJWC Final	SJWC Application	Current Status	ORA Reference	SJWC Reference
1	Rate Design	Maintain current rate	Maintain current rate design	Maintain current rate design	Maintain current rate	a	O-01,CH01,P19,§C4	SJW-01,CH15
2	Revenue Decoupling	Maintain Monterey Style WRAM	Maintain Monterey Style WRAM	Full WRAM/MCBA	Full WRAM/MCBA	f	O-01,CH13	SJW-01,CH19; SJW-10,CH02,P10
3	Balancing and Memorandum Accounts	Authorize recovery of \$3,872,936 balance via \$0.07327/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	Authorize recovery of \$4,751,775 balance via \$0.0900/ccf surcharge for 12-month period	e	O-01,CH10	SJW-01,CH17,P02,§E/F; SJW-10,CH02,P09
4	Balancing Account Disposition	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	Authorize refund of \$975,527 balance via \$0.3673 credit per connection per month for 12-month period	a	O-01,CH10	SJW-01,CH17,P02,§E/F; SJW-10,CH02,P09
5	Memorandum Account Disposition	Update Preliminary Statement to reflect all blancing and memorandum accounts including Pension Expense Balancing Account, Maintain Research, Development and Demonstration Memorandum Account and Intervenor Compensation Memorandum Account	Statement to reflect all blancing and memorandum accounts including Pension Expense Balancing Account, Maintain Research, Development and Demonstration Memorandum Account and Intervenor Compensation Memorandum Account	N/A	Statement to reflect all blancing and memorandum accounts including Pension Expense Balancing Account, Maintain Research, Development and Demonstration Memorandum Account and Intervenor Compensation Memorandum Account and Intervenor Compensation Memorandum Account	e	O-01,CH10,P11,§C3	SJW-10,CH02,P09
6	Preliminary Statement Update	Do Not Allow Health Care Cost Balancing Account	Do Not Allow Health Care Cost Balancing Account	Do Not Allow Health Care Cost Balancing Account	Do Not Allow Health Care Cost Balancing Account	f	O-01,CH12,P02,§C1	SJW-01,CH05,P29,§C; SJW-10,CH04,P08
7	Health Care Cost Balancing Account	Establish Groundwater Regulation Legal Expense Memorandum Account	Authorize requested memorandum account	Establish Groundwater Regulation Legal Expense Memorandum Account	Establish Groundwater Regulation Legal Expense Memorandum Account	a	O-01,CH12,P09,§C2	SJW-01,CH17,P03,§G
8	Regulation Legal Expense Memorandum Account	Update Water Ratepayer Assistance Program (WRAP) funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	Authorize WRAP funding surcharge to \$1.45 per customer per month	a	O-01,CH12,P11,§C3	SJW-01,CH15,P04,§G
9	Implement Credit Card Payment Program	Authorize SJWC to implement Credit Card Payment Program	Authorize SJWC to implement Credit Card Payment Program	Authorize SJWC to implement Credit Card Payment Program	Authorize SJWC to implement Credit Card Payment Program	a	O-01,CH12,P12,§C4	SJW-01,CH17,P04,§K
10	Establish Tangible Property Memorandum Account	Establish Memorandum Account	Do not establish memorandum account	Establish Memorandum Account	Do not establish memorandum account	N/A	O-01,CH05,P03,§C3	SJW-10,CH05
11	Regulation Tax Memorandum Account	Establish Enterprise Zone Sales and Use Credit Tax Memorandum Account	Establish Memorandum Account	Establish Memorandum Account	Establish Memorandum Account	f	O-01,CH05,P06,§C4	SJW-10,CH05
12						f		

A.15-01-002

Detailed Joint Comparison Exhibit of
San Jose Water Company and Office of Ratepayer Advocates
Submitted August 13, 2015

(END OF ATTACHMENT C)

ATTACHMENT D
TABLE A
Summary of Earnings and Rate of Return
Effective January 1, 2016
(Dollars in Thousands)

Line		Present Rates Effective 1-Jan-16	Authorized Rates Effective 1-Jan-16
1			
2			
3			
4	OPERATING REVENUES	\$ 291,658	\$ 316,674
5	DEFERRED REVENUE	\$ 487	\$ 487
6	OPERATING EXPENSES		
7	PURCHASED WATER - POTABLE	\$ 70,163	\$ 70,163
8	PURCHASED WATER - RECYCLED	\$ 1,262	\$ 1,262
9	PUMP TAX	\$ 42,373	\$ 42,373
10	PURCHASED POWER	\$ 8,915	\$ 8,915
11	OTHER OPERATION AND MAINTENANCE	\$ 753	\$ 753
12	CHEMICALS	\$ 459	\$ 459
13	UNCOLLECTIBLES	\$ 442	\$ 480
14	O&M PAYROLL	\$ 18,915	\$ 18,915
15	TRANSPORTATION	\$ 3,311	\$ 3,311
16	PURCHASED SERVICES	\$ 10,663	\$ 10,663
17	CONSERVATION	\$ 2,664	\$ 2,664
18	OTHER ADMIN AND GEN. EXP.	\$ 4,132	\$ 4,132
19	A&G PAYROLL	\$ 7,829	\$ 7,829
20	PENSION	\$ 6,700	\$ 6,700
21	BENEFITS	\$ 3,214	\$ 3,214
22	HEALTH CARE & DENTAL	\$ 6,237	\$ 6,237
23	RENTS	\$ 498	\$ 498
24	PROPERTY INSURANCE	\$ 234	\$ 234
25	LIABILITY INSURANCE	\$ 2,048	\$ 2,048
26	A&G PURCHASED SERVICES	\$ 3,328	\$ 3,328
27	A&G TRANSFERRED SERVICES	\$ (7,239)	\$ (7,239)
28	TOTAL O. & M., A. & G., & MISC. EXP.	\$ 186,901	\$ 186,939
29	TAXES OTHER THAN INCOME		
30	AD VALOREM TAXES	\$ 8,141	\$ 8,141
31	LOCAL FRANCHISE TAXES & BUS. LIC.	\$ 731	\$ 791
32	PAYROLL TAXES	\$ 2,006	\$ 2,006
33	TOTAL GENERAL TAXES	\$ 10,878	\$ 10,938
34	DEPRECIATION & AMORTIZATION	\$ 41,986	\$ 41,986
35	S U B - T O T A L - OPERATING EXPENSES	\$ 239,765	\$ 239,863
36	INCOME TAXES:		
37	STATE INCOME TAX	\$ 907	\$ 3,110
38	FEDERAL INCOME TAX	\$ 13,015	\$ 20,966
39	TOTAL OPERATING EXPENSES	\$ 253,688	\$ 263,939
40	NET OPERATING REVENUE	\$ 38,457	\$ 53,222
41	DEPRECIATED RATE BASE	\$ 658,083	\$ 658,083
42	RATE OF RETURN	5.84%	8.09%
43	% INCREASE		8.56%

ATTACHMENT D
TABLE B
Income Tax Calculation
(Dollars in Thousands)

Line	Item	2016	2017
1	Operating Revenue	\$ 316,674	\$ 330,233
2	(Excluding Deferred Revenue)		
3			
4	Deductions		
5	O&M Expenses (Excl. Uncollectibles)	\$ 159,958	\$ 160,743
6	Uncollectibles	\$ 480	\$ 501
7	A&G Expenses	\$ 26,981	\$ 27,397
8	Taxes Other than Income Taxes	\$ 10,180	\$ 10,788
9	Local Franchise Taxes	\$ 758	\$ 791
10	Transportation Depreciation	\$ (992)	\$ (1,190)
11	Interest Expense	\$ 21,352	\$ 23,178
12	Meal Dissallowance, 50%	\$ 92	\$ 92
13	Total Deductions	\$ 218,809	\$ 222,300
14			
15	State Corporation Franchise Tax		
16	Tax Depreciation	\$ 40,114	\$ 43,532
17	State Tax Deduction on Repairs and Maintenance	\$ 22,613	\$ 13,774
18	Deferred Revenue (Net of Tax)	\$ 43	\$ 34
19	State Taxable Income	\$ 35,182	\$ 50,661
20	State Income Tax Rate	8.84%	8.84%
21	State Income Tax	\$ 3,110	\$ 4,478
22			
23	Federal Income Tax		
24	Tax Depreciation	\$ 33,524	\$ 37,407
25	State Franchise Tax	\$ 3,110	\$ 4,478
26	IRS Sect 199 QPA Deduction	\$ 1,338	\$ 1,457
27	Federal Taxable Income	\$ 59,893	\$ 64,591
28	Federal Income Tax Rate	35.00%	35.00%
29	Federal Income Tax	\$ 20,963	\$ 22,607
30			
31	Amortization of Prepaid Tax on CIAC	\$ 3	\$ 3
32			
33	Total Income Tax	24,076	27,088

ATTACHMENT D
TABLE C
Authorized Construction Budget
(Dollars in Thousands)

Line	Item	2015	2016	2017
1	CONSTRUCTION ITEM			
2	Land	\$ 10	\$ 11	\$ 11
3				
4	Source of Supply	\$ 8,469	\$ 8,748	\$ 5,706
5				
6	Water Treatment	\$ 877	\$ 2,253	\$ 2,504
7				
8	Reservoirs & Tanks	\$ 20,108	\$ 13,179	\$ 12,026
9				
10	Pump Stations & Equipment	\$ 5,742	\$ 9,475	\$ 11,409
11				
12	Distribution Systems:	\$ -	\$ -	\$ -
13	New Mains	\$ 2,734	\$ 5,505	\$ 10,982
14	Service Transfers	\$ 20	\$ -	\$ -
15	City, County & State	\$ 720	\$ 541	\$ 393
16	Replacement Mains	\$ 38,174	\$ 38,760	\$ 35,865
17	Main Extensions	\$ 3,344	\$ 2,851	\$ 3,238
18	Services	\$ 10,781	\$ 11,105	\$ 11,494
19	Meters	\$ 4,219	\$ 3,347	\$ 4,093
20	Hydrants	\$ 333	\$ 343	\$ 355
21				
22	Equipment	\$ 5,372	\$ 5,321	\$ 3,644
23				
24	Structures & Non-Specifics	\$ 3,577	\$ 3,551	\$ 2,119
25				
26	Green & Alternative Energy	\$ -	\$ -	\$ -
27				
28	TOTAL CONSTRUCTION BUDGET	\$ 104,481	\$ 104,989	\$ 103,837
29				
30	Cost of Retiring, Incl. in Budget	\$ 2,040	\$ 2,101	\$ 2,175
31				
32	TOTAL NEW PROJECTS	\$ 102,441	\$ 102,888	\$ 101,662

ATTACHMENT D
TABLE D
Authorized Ratebase
(Dollars in Thousands)

Line	Item	Adopted 2016	Adopted 2017
1	ITEM		
2	Utility Plant	\$ 1,441,692	\$ 1,545,077
3	Materials & Supplies	\$ 780	\$ 807
4	Working Cash	\$ 17,665	\$ 18,476
5			
6	Depreciation Reserve	\$ (476,104)	\$ (517,898)
7	Advances	\$ (65,200)	\$ (65,191)
8	Contributions	\$ (116,728)	\$ (117,451)
9	Plant Funded by SDWSRF Loan	\$ (1,677)	\$ (1,522)
10	Reserve for Amortization	\$ (487)	\$ (503)
11	Tax Deferrals	\$ (149,484)	\$ (155,104)
12			
13	Rate Base, Taxed Contributions	\$ 4,826	\$ 4,855
14	Rate Base, Taxed Advances	\$ 2,800	\$ 2,699
15			
16	RATE BASE	\$ 658,083	\$ 714,245

ATTACHMENT D
TABLE E
Authorized Customer and Sales Forecast

Line	Item	2016
1	Metered Services	
2	Residential	199,416
3	Business	20,332
4	Industrial	53
5	Public Authority	1,293
6	Resale	32
7	Other	212
8	Total Potable Metered Services	221,338
9	Raw Water	4
10	Recycled Water, Well	8
11	Recycled Water, Piped	170
12	Total Non-Potable Metered Services	221,520
13	Private Fire Service	3,709
14	Total Active Services	225,229
15	Average Sales per Customer (ccf/connection/yr)	
16	Residential	147
17	Business	861
18	Total Sales Per Customer Class (Kccf)	
19	Residential	29,234
20	Business	17,451
21	Industrial	203
22	Public Authority	2,547
23	Resale	322
24	Other	90
25	Total Potable Metered Sales	49,847
26	Raw Water	14
27	Recycled Water, Piped	504
28	Recycled Water, Well	366
29	Total Sales	50,731
30	Potable Source of Supply (Kccf)	
31	Purchased Water	30,747
32	Surface Water	2,085
33	Well Supply	20,645
34	Total Potable Supply	53,477
35	Recycled Source of Supply (Kccf)	
36	Recycled Water, Well	504
37	Recycled Water, Piped	366
38	Total Recycled Supply	870

ATTACHMENT D
TABLE F
Miscellaneous Adopted Quantities

Line	Item	2016	
		MG	Kccf
1	Water Production		
2	Purchased Water	23,000	30,747
3	Surface Water	1,559	2,085
4	Well Supply	15,444	20,645
5	Recycled Water	651	870
6			
7	Purchased Water/Pump Tax Rates		
8	(effective July 1, 2015)		
9	Purchased Water (\$ per MG)	\$ 3,051	
10	Pump Tax (\$ per MG)	\$ 2,744	
11			
12	Purchased Power		
13	(effective January 1, 2016)		
14	Mixed Power Cost (\$/kWh)	\$ 0.16679	
15	Total Power Usage (kWh)	53,450,202	
16			
17	Other		
18	Net-to-Gross Multiplier	1.6943	
19	Customer Growth Factor	0.3%	
20	Uncollectible Rate	0.1515%	
21	Local Franchise Tax Rate	0.2395%	
22	California Corporate Franchise Tax Rate	8.84%	
23	Federal Tax Rate	35.00%	
24	Depreciation Rate	3.42%	
25	Property Tax Rate	1.19%	
26	Non-Revenue Water %	6.8%	

ATTACHMENT D
TABLE G

AUTHORIZED RATES
EFFECTIVE JANUARY 1, 2016
Schedule No. 1
GENERAL METERED SERVICE

APPLICABILITY

Applicable to general metered water service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Moten Sereno, and Saratoga and in contiguous territory in the County of Santa Clara

RATES**Quantity Rate Per 100 cu.ft. (Ccf):****Residential Customers with 5/8 x 3/4-inch, 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter**

For Total Monthly Usage from	0 to 3 ccf	\$ 4.0366
For Total Monthly Usage from	3+ to 18 ccf	\$ 4.4851
For Total Monthly Usage over	18 ccf	\$ 4.9336

All Other Customers

For all water delivered per ccf	\$ 4.4851
---------------------------------	-----------

Service Charges per Meter per Month**All Customers**

5/8 x3/4-inch meter	\$ 23.84
3/4-inch meter	\$ 23.84
1-inch meter	\$ 39.73
1 1/2-inch meter	\$ 79.45
2-inch meter	\$ 127.13
3-inch meter	\$ 238.36
4-inch meter	\$ 397.27
6-inch meter	\$ 794.54
8-inch meter	\$ 1,271.26
10-inch meter	\$ 1,827.44

SPECIAL CONDITIONS

To amortize the under-collection of the Balancing Account, the surcharge shown below is to be included for the 12-month period beginning with the effective date of this tariff:

\$ 0.0953 per 100.cu.ft. (ccf)

To amortize the over-collection of the balances of Memorandum Accounts, the credit shown below is to be included on a monthly basis for the 12-month period beginning with the

\$ 0.3673 per connection per month

To fund the Water Rate Assistance Program (WRAP) for residential low-income households, the surcharge shown below will be added to the bill:

\$ 1.45 per connection per month
(No Other Changes Proposed)

ATTACHMENT D
TABLE H

AUTHORIZED RATES
EFFECTIVE JANUARY 1, 2016
Schedule No. 1B
GENERAL METERED SERVICE WITH
AUTOMATIC FIRE SPRINKLER SYSTEM

APPLICABILITY

Applicable to all detached single family structures whose automatic fire sprinkler system is served through the meter providing residential water service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Menlo Park, and Saratoga and in contiguous territory in the County of Santa Clara

RATES**Quantity Rate Per 100 cu.ft. (Ccf):****Residential Customers with 5/8 x 3/4-inch, 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter**

For Total Monthly Usage from	0 to 3 ccf	\$ 4.0366
For Total Monthly Usage from	3+ to 18 ccf	\$ 4.4851
For Total Monthly Usage over	18 ccf	\$ 4.9336

All Other Customers

For all water delivered per ccf	\$ 4.4851
---------------------------------	-----------

Service Charges per Meter per Month**All Customers**

5/8 x3/4-inch meter	\$ 23.84
3/4-inch meter	\$ 23.84
1-inch meter	\$ 39.73
1 1/2-inch meter	\$ 79.45
2-inch meter	\$ 127.13
3-inch meter	\$ 238.36

Upsize Charges:

For 1/4-inch meter upsize	\$ 1.51
For 1/2-inch meter upsize	\$ 3.01
For 3/4-inch meter upsize	\$ 4.52
For 1/4-inch meter upsize	\$ 6.03
For 1 1/2-inch meter upsize	\$ 9.05

SPECIAL CONDITIONS

To amortize the under-collection of the Balancing Account, the surcharge shown below is to be included for the 12-month period beginning with the effective date of this tariff:

\$ 0.0953 per 100.cu.ft. (ccf)

To amortize the over-collection of the balances of Memorandum Accounts, the credit shown below is to be included on a monthly basis for the 12-month period beginning with the effective date:

\$ 0.3673 per connection per month

To fund the Water Rate Assistance Program (WRAP) for residential low-income households, the surcharge shown below will be added to the bill:

\$ 1.45 per connection per month
(No Other Changes Proposed)

ATTACHMENT D
TABLE I

AUTHORIZED RATES
EFFECTIVE JANUARY 1, 2016
Schedule No. 1C
GENERAL METERED SERVICE

MOUNTAIN DISTRICT

APPLICABILITY

Applicable to general metered water service.

TERRITORY

Portions of Los Gatos and in contiguous territory in the County of Santa Clara.

RATES**Quantity Rate Per 100 cu.ft. (Ccf):****Residential Customers with 5/8 x 3/4-inch, 3/4-inch, 1-inch, 1 1/2-inch or 2-inch meter**

For Total Monthly Usage from	0 to 3 ccf	\$ 4.0366
For Total Monthly Usage from	3+ to 18 ccf	\$ 4.4851
For Total Monthly Usage from	18+ ccf to 20 ccf	\$ 4.9336
For Total Monthly Usage over	20 ccf	\$ 7.0000

All Other Customers

For Total Monthly Usage from	0 ccf to 20 ccf	\$ 4.4851
For Total Monthly Usage over	20 ccf	\$ 7.0000

Service Charges per Meter per Month**All Customers**

5/8 x3/4-inch meter	\$ 23.84
3/4-inch meter	\$ 23.84
1-inch meter	\$ 39.73
1 1/2-inch meter	\$ 79.45
2-inch meter	\$ 127.13
3-inch meter	\$ 238.36
4-inch meter	\$ 397.27
6-inch meter	\$ 794.54
8-inch meter	\$ 1,271.26
10-inch meter	\$ 1,827.44

SPECIAL CONDITIONS

To amortize the under-collection of the Balancing Account, the surcharge shown below is to be included for the 12-month period beginning with the effective date of this tariff:

\$ 0.0953 per 100.cu.ft. (ccf)

To amortize the over-collection of the balances of Memorandum Accounts, the credit shown below is to be included on a monthly basis for the 12-month period beginning with the

\$ 0.3673 per connection per month

To fund the Water Rate Assistance Program (WRAP) for residential low-income households, the surcharge shown below will be added to the bill:

\$ 1.45 per connection per month
(No Other Changes Proposed)

ATTACHMENT D
TABLE J**AUTHORIZED RATES**
EFFECTIVE JANUARY 1, 2016
Schedule No. 4
PRIVATE FIRE SERVICE**APPLICABILITY**

Applicable to all water service furnished to privately owned fire protection systems.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Monte Sereno, and Saratoga and in contiguous territory in the County of Santa Clara.

RATES

Charge per service connection per month:

For each 2-inch service.....	\$	24.42
For each 3-inch service.....	\$	36.62
For each 4-inch service.....	\$	48.82
For each 6-inch service.....	\$	73.25
For each 8-inch service.....	\$	97.66
For each 10-inch service.....	\$	122.08
For each 12-inch service.....	\$	146.48

**ATTACHMENT D
TABLE K**

**AUTHORIZED RATES
EFFECTIVE JANUARY 1, 2016
Schedule No. RW
RAW WATER SERVICE**

APPLICABILITY

Applicable to raw water metered service.

TERRITORY

Portions of Cupertino, San Jose, and Santa Clara, and in Campbell, Los Gatos, Moten Sereno, and Saratoga and in contiguous territory in the County of Santa Clara

RATES**Quantity Rate Per 100 cu.ft. (Ccf):**

All Customers	\$ 4.2555
For all water delivered per ccf	\$ 4.2555

Service Charges per Meter per Month**All Customers**

5/8 x3/4-inch meter	\$ 23.84
3/4-inch meter	\$ 23.84
1-inch meter	\$ 39.73
1 1/2-inch meter	\$ 79.45
2-inch meter	\$ 127.13
3-inch meter	\$ 238.36
4-inch meter	\$ 397.27
6-inch meter	\$ 794.54
8-inch meter	\$ 1,271.26
10-inch meter	\$ 1,827.44

SPECIAL CONDITIONS

To amortize the under-collection of the Balancing Account, the surcharge shown below is to be included for the 12-month period beginning with the effective date of this tariff:

\$ 0.0953 per 100.cu.ft. (ccf)

To amortize the over-collection of the balances of Memorandum Accounts, the credit shown below is to be included on a monthly basis for the 12-month period beginning with the effective date of this tariff:

\$ 0.3673 per connection per month
(No Other Changes Proposed)

ATTACHMENT D
TABLE L
Residential Customer Bill Comparison

Monthly Bill Comparison for Residential Customer with 3/4-Inch Meter

Monthly Usage (ccf)	Average Monthly Bill at Current Rates	Average Monthly Bill at Adopted Rates	%Increase	\$ Increase
5	\$ 40.99	\$ 44.92	9.59%	\$ 3.93
10	\$ 62.00	\$ 67.35	8.63%	\$ 5.35
Avg (Approx.):	\$ 83.01	\$ 89.77	8.14%	\$ 6.76
20	\$ 104.73	\$ 113.09	7.98%	\$ 8.36
30	\$ 150.31	\$ 162.43	8.06%	\$ 12.12
50	\$ 241.47	\$ 261.10	8.13%	\$ 19.63
100	\$ 469.38	\$ 507.78	8.18%	\$ 38.40

(END OF ATTACHMENT D)